



**IRIS Regional Score Cards** use subsets of accident year (AY) 2005-2015 claims data from CWCI's Industry Research Information System (IRIS) database to measure and analyze various aspects of claims experience within 8 regions of California. Over a period of several months, CWCI will issue Score Cards for all 8 regions of the state, each profiling claimant characteristics and showing distributions of claims within the region broken out by industry sector; premium size; claim type; common "nature" and "cause" of injury categories; and primary diagnoses. Several exhibits compare results for the highlighted region against all other regions in the state, and in many cases the exhibits also show the statewide results, providing a wealth of detailed data not only on claims within the region, but within all of California.

The first five Score Cards in the series focused on claims filed by residents of Los Angeles County, the Inland Empire/Orange County, the Central Valley, the Bay Area, and San Diego County. This Score Card looks at claims filed by residents of the Central Coast region that runs along the Pacific Coast from Ventura County in the south to Monterey and Santa Cruz Counties in the north. The region is home to 2.3 million Californians and a labor force of 1.17 million workers who account for 6.7% of all California workers' compensation claims and 6.3% of paid losses in the state.

A list of the exhibits included in the Score Card is provided below. Click the title to go directly to an exhibit.

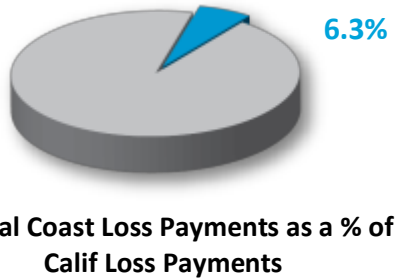
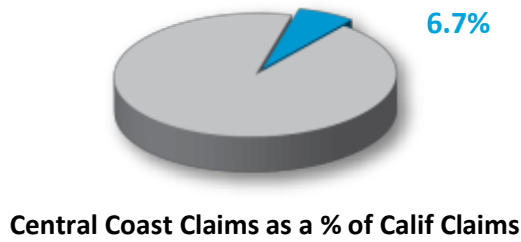
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**Regional Claim and Payment Distributions**

AY 2005 – AY 2015 Claims



Region	% of Claims	% of Payments
Los Angeles County	25.6%	31.9%
Inland Empire/O.C.	19.0%	21.0%
Central Valley	18.1%	15.0%
Bay Area	17.5%	15.4%
San Diego	8.1%	6.2%
<b>Central Coast</b>	<b>6.7%</b>	<b>6.3%</b>
North Counties	3.3%	2.5%
Sierras	1.7%	1.7%
<b>Grand Total</b>	<b>100.0%</b>	<b>100.0%</b>

IRIS Regional Score Cards analyze data from California workers' comp claims that have been grouped into eight regions based on the injured workers' home ZIP codes. Each Score Card contains accident year (AY) 2005-2015 claims data from CWCI's Industry Research Information System (IRIS) database, plus IRIS data on prescription drugs filled in calendar year 2014; sleep studies, MRIs/diagnostic tests, and nerve conduction studies from calendar years 2013-2015; and data on claims through 2015 that had lien payments. This Score Card focuses on claims filed by workers from the Central Coast, a region that stretches more than 300 miles along California's Pacific Coast, from Ventura County in the south through Santa Barbara, San Luis Obispo and Monterey Counties to Santa Cruz County in the north. The region is home to 1.17 million workers – 5.9% of the California workforce – and nearly a quarter of them are employed in the agriculture sector. Over the 11-year period covered by the Score Card, the IRIS database captured data on more than 127,000 job injury claims filed by Central Coast residents, or 6.7% of the nearly 1.9 million claims in the Score Card sample of California claims, resulting in \$1.86 billion in loss payments, or 6.3% of the \$29.5 billion in benefits paid on those claims.

**Central Coast Claims as a Percent of All California Claims by Accident Year**

AY 2005 – 2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Central Coast</b>	6.3%	6.2%	6.3%	6.5%	6.7%	6.7%	6.7%	7.1%	7.7%	7.4%	7.7%
<b>All Other</b>	93.7%	93.8%	93.7%	93.5%	93.3%	93.3%	93.3%	92.9%	92.3%	92.6%	92.3%

Between AY 2005 and AY 2015, claims filed by Central Coast residents ranged from 6.2% to 7.7% of all California workers' comp claims. That percentage did edge up slightly during the recession years of 2008 and 2009, and has remained over 7% since AY 2012. The most recent data show that workers living in the Central Coast region accounted for 7.7% of all claims filed in the state in AY 2015, matching the highest level in the last 11 years.

**Claim Distribution by Premium Size – Central Coast vs. Other Regions**

AY 2005 – 2015 Claims

	Under \$1,000	\$1,000 to \$9,999	\$10,000 to \$49,999	\$50,000 to \$99,999	\$100,000 to \$499,999	\$500,000 to \$999,999	Over \$1,000,000
<b>Central Coast</b>	1.5%	9.3%	19.0%	11.0%	31.7%	11.8%	15.7%
<b>Other Regions</b>	1.9%	9.3%	19.0%	12.1%	30.2%	9.9%	17.5%

A smaller share of Central Coast claims involved employers paying over \$1 million in annual premium (15.7% vs. 17.5% in other areas), but a larger share involved mid-sized employers paying \$100,000 to \$999,999 in premium (43.5% vs. 40.1%).



**Injured Worker Profile**

AY 2005 – AY 2015 Claims

	Central Coast	All Other	Statewide
Average Age	37.7	38.4	38.3
Average Tenure	4.4	4.6	4.6
<b>Gender</b>			
% Male	64.1%	63.5%	63.5%
% Female	35.9%	36.5%	36.5%
<b>% of Claims</b>			
All Claims Statewide	6.7%	93.3%	100.0%
% of Calif WC Translation Svcs.*	14.3%	85.7%	100.0%

\* CY 2013-2015 service dates only. Translation services identified by procedure code.

Injured workers from the Central Coast averaged 37.7 years at the time of injury, slightly younger than the 38.4 year average for injured workers from other regions. The average job tenure for Central Coast workers on their date of injury was 4.4 years, which also was slightly below the average of 4.6 years noted for other California injured workers. The mix of injuries by gender was about the same as in other areas, with males accounting for 64.1% of Central Coast claims vs. 63.5% elsewhere. On the other hand, the volume of claims with translation services was disproportionately high on the Central Coast, as 14.3% of all claims with 2013-2015 translation services involved Central Coast residents – about twice the proportion of all claims that came from the region.

**Distribution by Industry Sector**

Central Coast vs. All Other (AY 2005-2015 Claims)

Industry	Central Coast	All Other	Statewide
Agriculture	23.1%	5.6%	6.8%
Manufacturing	10.2%	13.2%	13.0%
Hotel and Food Services	10.0%	8.6%	8.7%
Retail Trade	9.8%	11.9%	11.8%
Construction	9.7%	10.5%	10.4%
Healthcare	9.1%	12.5%	12.3%
Clerical Workers	6.0%	7.3%	7.2%
Admin Support/Waste & Remediation	3.2%	3.5%	3.5%
Transportation & Warehousing	3.1%	5.9%	5.7%
Wholesale Trade	3.1%	4.7%	4.6%
All Other	12.7%	16.3%	16.0%
<b>Grand Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

The distribution by industry sector shows agriculture is by far the leading industry for work injuries on the Central Coast, accounting for 23.1% of all claims in the region -- second only to the 9 northernmost counties in the state, more than 4 times the proportion noted for all other regions combined, and 5.6 percentage points higher than in the Central Valley. Manufacturing ranks second, with 10.2% of the Central Coast claims, though that is well below the 13.2% level noted in the rest of the state. Hotel and food service workers file 10% of the Central Coast claims (vs. 8.6% of claims from other regions); while the retail trade, construction, and healthcare sectors each represent between 9% and 10% of the Central Coast claims, but in each of those sectors, the proportion of Central Coast claims that come from those industries is about 2 to 3 percentage points below the proportion noted in the rest of California.



**Cause of Injury**

Claim Distributions for Central Coast, All Other Regions and Statewide (AY 2005 – 2015 Claims)

Cause of Injury	Percent of Claims		
	Central Coast	All Other Regions	Statewide
Strain/Injury: Lifting	10.9%	10.7%	10.7%
Strain/Injury: Not Otherwise Classified (NOC)	9.3%	8.9%	8.9%
Miscellaneous Cause: Other Injury (NOC)	5.4%	5.5%	5.5%
Fall/Slip: Miscellaneous	5.5%	4.7%	4.8%
Fall/Slip: On Same Level	4.5%	4.1%	4.2%
Hand Tool, Utensil; Not Powered	3.8%	2.9%	2.9%
Struck/Injured by: Falling or Flying Object	3.7%	4.2%	4.2%
Strain/Injury: Pushing or Pulling	3.7%	4.0%	4.0%
Miscellaneous (Cut, Puncture, Scrape)	3.1%	3.2%	3.2%
Miscellaneous Cause: Foreign Body in Eye	3.0%	2.6%	2.6%
<b>All Other</b>	<b>47.1%</b>	<b>49.2%</b>	<b>49.0%</b>

The top 10 causes of injury noted in Central Coast claims accounted for just over half of all claims in the region. As in the rest of the state, strains (either due to lifting or not otherwise classified activities) were the number one cause of injury. However, the claim distribution by major causation categories showed some differentiation from other regions, as a slightly larger proportion of the Central Coast claims involved falls and injuries involving non-powered tools, which may be related to the high percentage of agricultural claims within the region.

**Nature of Injury**

Claim Distributions for Central Coast, All Other Regions and Statewide (AY 2005 – 2015 Claims)

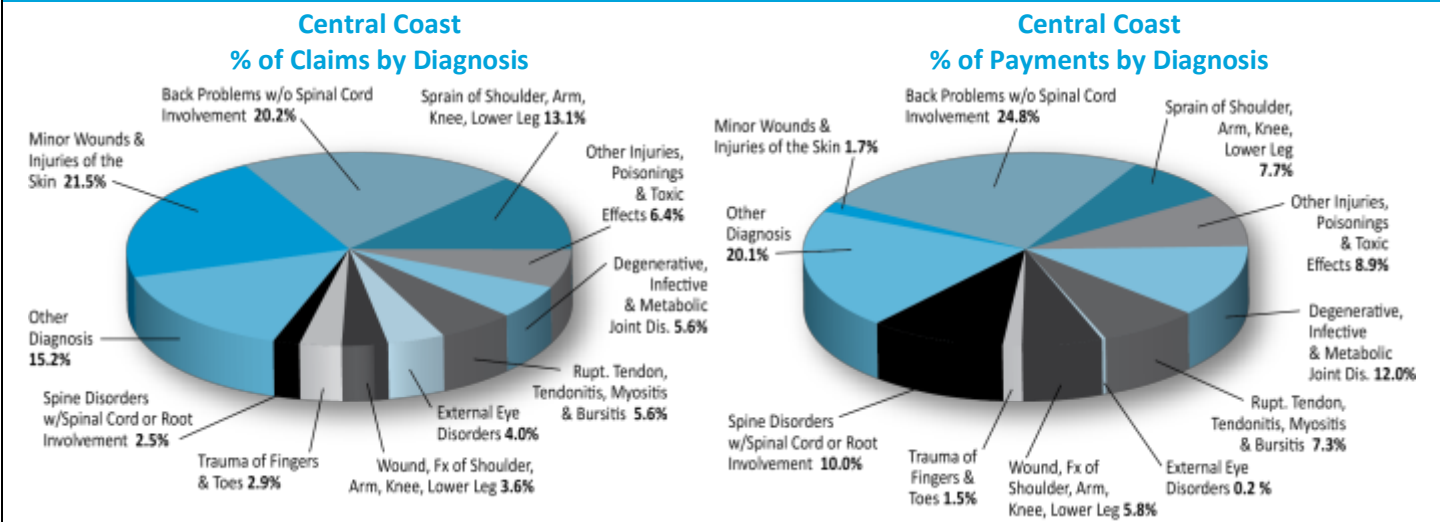
Nature of Injury	Percent of Claims		
	Central Coast	All Other Regions	Statewide
Strain	30.6%	28.8%	28.9%
Laceration	12.7%	12.4%	12.4%
All Other, Not Otherwise Classified (NOC)	9.7%	10.7%	10.0%
Contusion	9.5%	10.1%	10.1%
Sprain	8.5%	9.6%	9.5%
All Other Cumulative Injuries	5.0%	4.9%	4.9%
Puncture	4.1%	3.5%	3.6%
Fracture	3.4%	3.4%	3.4%
Foreign Body	3.2%	2.7%	2.8%
Multiple Physical Injuries	2.3%	1.8%	1.8%
<b>All Other</b>	<b>11.0%</b>	<b>12.1%</b>	<b>12.6%</b>

The rankings for the most common injury categories on the Central Coast were similar to those in other regions, though the proportions differed somewhat. The top 10 nature of injury categories accounted for 89.0% of all Central Coast job injuries, compared to 87.9% of the claims from other parts of California. Strains were the leading nature of injury category cited in Central Coast claims (30.6%), which was higher than the 28.8% noted in other regions of the state. Lacerations ranked second, comprising 12.7% of the Central Coast claims (vs. 12.4% elsewhere); punctures, foreign bodies, and multiple physical injuries all made up a slightly larger proportion of the Central Coast claims compared to the rest of the state, while all other, not otherwise classified injuries, contusions and sprains represented a smaller share of claims in this region.



**Claim and Payment Distributions by Diagnosis**

Claim and Payment Distributions for AY 2005-2015 Claims



	Central Coast		All Other Regions		Statewide	
	% of Claims	% of Total Paid	% of Claims	% of Total Paid	% of Claims	% of Total Paid
Minor Wounds & Injuries to the Skin	21.5%	1.7%	22.5%	2.5%	22.4%	2.4%
Medical Back Problems w/o Spinal Cord Involvement	20.2%	24.8%	19.8%	26.5%	19.8%	26.4%
Sprain of Shoulder, Arm, Knee, Lower Leg	13.1%	7.7%	14.1%	9.3%	14.0%	9.2%
Other Injuries, Poisonings & Toxic Effects	6.4%	8.9%	7.1%	12.1%	7.0%	11.9%
Degenerative, Infective & Metabolic Joint Disorders	5.6%	12.0%	3.9%	8.2%	4.0%	8.5%
Ruptured Tendon, Tendonitis, Myositis & Bursitis	5.6%	7.3%	5.6%	6.6%	5.6%	6.7%
External Eye Disorders	4.0%	0.2%	3.5%	0.2%	3.6%	0.2%
Wound, Fracture of Shoulder, Arm, Knee, Lower Leg	3.6%	5.8%	3.8%	5.8%	3.7%	5.8%
Trauma of Fingers & Toes	2.9%	1.5%	3.0%	1.4%	3.0%	1.4%
Spine Disorders w/Spinal Cord or Root Involvement	1.9%	10.0%	1.6%	7.3%	1.6%	7.5%
Other Diagnosis	15.2%	20.1%	15.1%	20.1%	15.3%	20.0%

The most common diagnostic categories in Central Coast work injury claims, and in claims from other regions, are minor wounds and injuries to the skin, medical back problems without spinal cord involvement (back sprains and strains), and shoulder, arm, knee and lower leg sprains. These three diagnoses combined account for 54.8% of the Central Coast claims and 34.2% of the loss payments, compared to 56.4% of the claims and 38.3% of the paid losses in other regions.

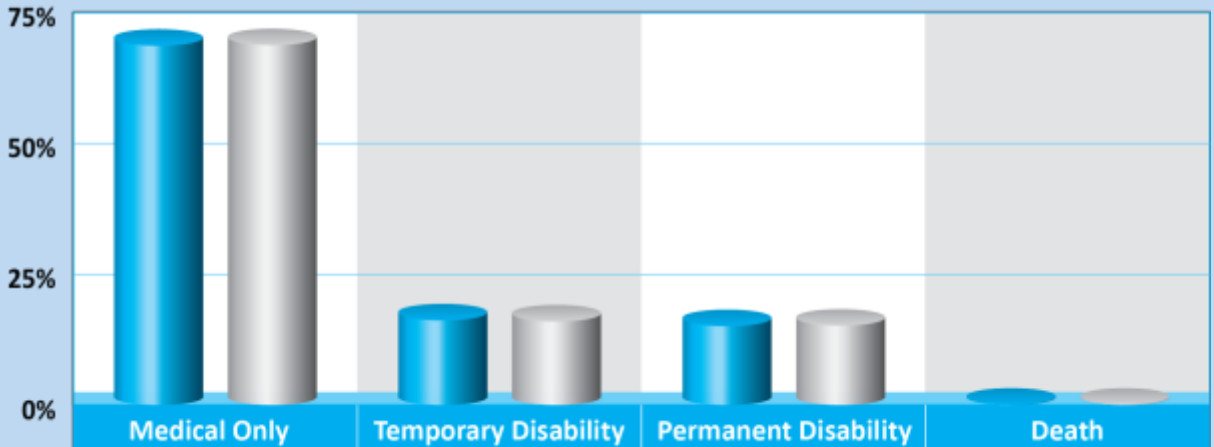
Also on the list of the top 10 diagnoses on Central Coast claims were other injuries, poisonings and toxic effects, which represented a smaller percentage of the Central Coast claims (6.4% vs. 7.1% elsewhere) and a significantly smaller share of the loss payments (8.9% vs. 12.1%). On the other hand, claims with primary diagnoses of degenerative, infective, and metabolic joint disorders made up a larger share of the Central Coast claims (5.6% vs. 3.9%) and loss payments (12.0% vs. 8.2%). Also of note, spine disorders with spinal cord or root involvement, which can be among the most serious injuries, represent 1.9% of the Central Coast claims vs. 1.6% of the claims from the rest of the state, and because they often result in surgery and longer recovery periods, they account for 10% of the total losses paid on Central Coast claims, compared to only 7.3% of the loss payments on claims from other regions.



Claim and Payment Distribution by Claim Type (Med-Only, TD, PD, Death)

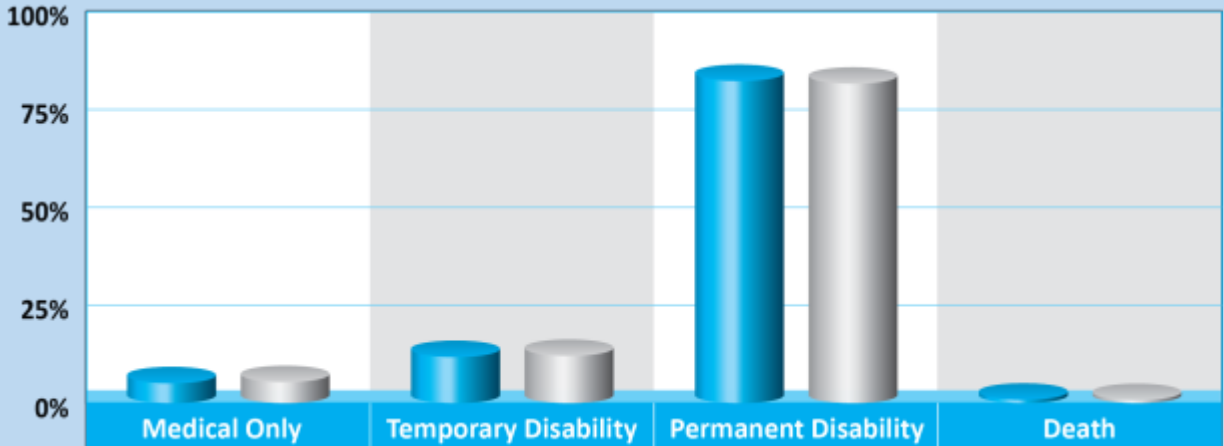
Central Coast vs. All Other Regions (AY 2005 – AY 2015 Claims)

Percent of Claims



<b>Central Coast</b>	68.7%	16.2%	15.1%	< 0.1%
<b>All Other</b>	68.8%	16.0%	15.2%	< 0.1%
<b>Statewide</b>	68.8%	16.0%	15.1%	< 0.1%

Percent of Payments



<b>Central Coast</b>	5.1%	11.8%	82.3%	0.9%
<b>All Other</b>	5.4%	12.1%	81.6%	0.8%
<b>Statewide</b>	5.4%	12.1%	81.7%	0.8%

There is very little difference in the mix of injuries by claim type on the Central Coast compared to the rest of California as medical only claims represent more than 2 out of every 3 cases, temporary disability claims represent about 1 in 6 claims, PD claims account for just over 15% of the claims, and death cases represent less than 0.1% of the claims both on the Central Coast and elsewhere.

The distribution of paid losses by claim type is also similar to the distribution noted for other parts of the state, with medical-only claims accounting for 5.1% of the loss dollars paid on Central Coast claims compared to 5.4% in other regions; temporary disability claims accounting for 11.8% vs. 12.1% elsewhere; PD claims representing 82.3% of the Central Coast paid losses (vs. 81.6% in the rest of California, and death claims consuming 0.9% of the loss dollars on the Central Coast claims compared to 0.8% in the rest of the state.

**Median and Average Notice and Treatment Time Lags**

Injury Date to Employer Notice, Carrier Notice &amp; First Treatment: Central Coast vs. All Other Regions (AY 2005 vs. 2013)

		AY 2005		AY 2013	
		Median Number of Days	Average Number of Days	Median Number of Days	Average Number of Days
<b>Employer Notification</b>	Central Coast	1.0	9.4	1.0	9.0
	All Other Regions	1.0	12.2	1.0	12.3
	Statewide	1.0	12.0	1.0	12.0
<b>Carrier Notification</b>	Central Coast	7.0	29.0	5.0	21.4
	All Other Regions	8.0	36.4	7.0	35.3
	Statewide	8.0	35.8	6.0	34.0
<b>Time to First Treatment</b>	Central Coast	1.0	26.7	1.0	23.6
	All Other Regions	1.0	28.7	1.0	35.9
	Statewide	1.0	28.6	1.0	34.8

The table above compares the time lags between the date of injury and the employer notice, carrier notice, and initial treatment for AY 2005 and AY 2013 claims filed by workers from the Central Coast, other regions, and statewide. The median is the midpoint in a series of numbers – the point at which half the values are greater than amount shown, and half are less. For AY 2005 and AY 2013 claims from the Central Coast, other regions and statewide, the median time to employer notice was one day, so in half of all claims the employer knew of the injury within a day. The median time to carrier notice for Central Coast claims improved from 7 days in AY 2005 to 5 days in AY 2013, while the median for other regions improved from 8 to 7 days, and the statewide median improved from 8 to 6 days. The median time to first treatment for Central Coast claims remained at 1 day, which was the same as the median for all other regions and statewide.

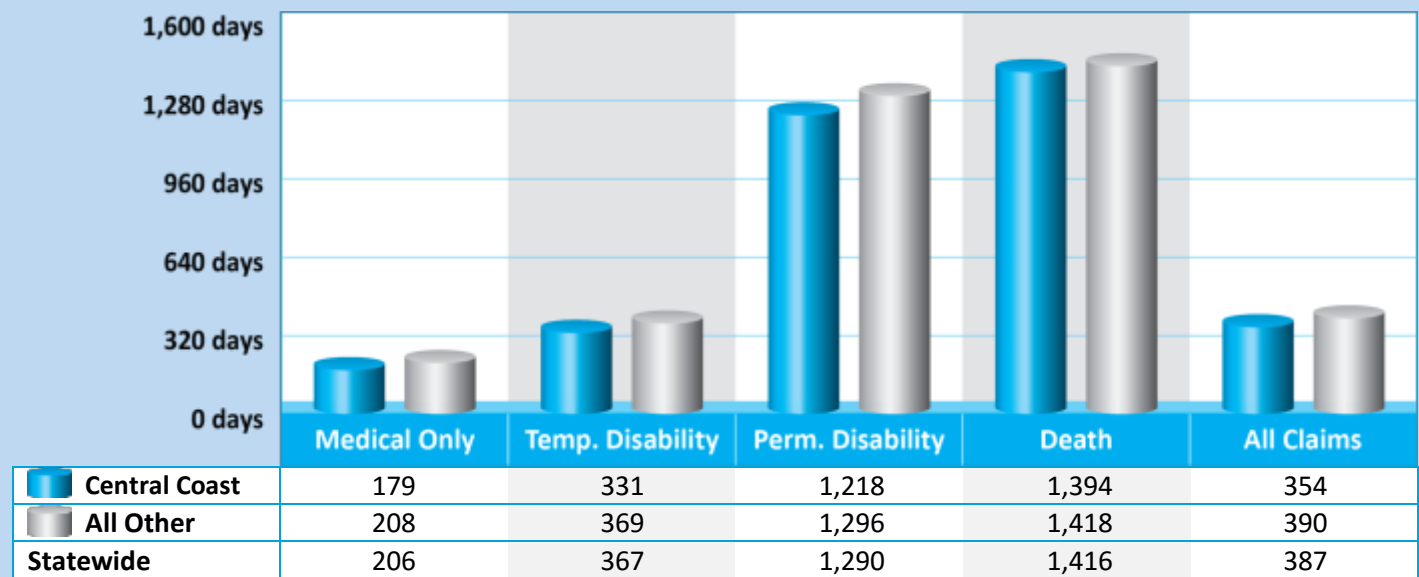
The spread between the average and median time lags for employer and carrier notifications and to first treatment were less for Central Coast claims than for claims from other regions, indicating that on the Central Coast the average time lags to these key claim events were less skewed by outlier claims in which the injury notifications and treatment were delayed for long periods. Not only were employer and claims administrator notifications and initial treatment consistently faster for Central Coast claims than for claims from other regions, between AY 2005 and AY 2013 the average notification time lags and initial treatment time lags showed across-the-board improvement on the Central Coast, while in other parts of the state the average time lags to carrier notification showed only a minor improvement, and the average number of days to employer notice and first treatment increased. Over the same 9-year period, the median number of days from the injury date and employer notification and from the injury date to the first treatment remained 1 day on the Central Coast and elsewhere, but the median time lag to carrier notice improved from 7 days to 5 days on the Central Coast, while it only dropped from 8 days to 7 days in the rest of the state.

The AY 2013 claims data show that the average time elapsed between the injury date and the employer notification was 3.3 days faster on the Central Coast than in the rest of the state (9.0 days vs. 12.3 days); the average time lag to claims administrator notification was 13.9 days faster (21.4 days vs. 35.3 days); and the average time to first treatment was 12.3 days faster (23.6 days vs. 35.9 days).



**Average Claim Duration**

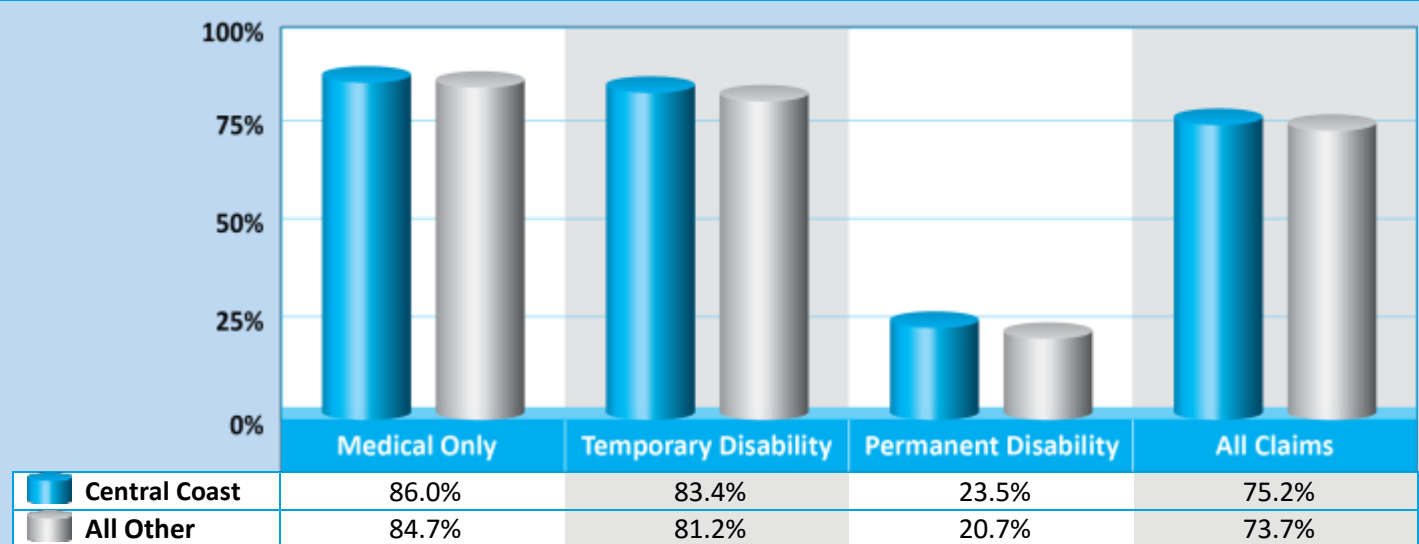
Average Number of Days (AY 2005-2015 Closed & Resolved Claims)



Average claim durations for all types of claims were shorter on the Central Coast than in the rest of California, with the number of days from claim filing to claim closure for all AY 2005-2015 claims averaging 354 days on the Central Coast, 36 days less than the average for other parts of the state. Among medical-only claims, the average claim duration on the Central Coast was 29 days less; among TD claims the average claim duration was 38 days less; among permanent disability claims the average claim duration was 78 days less; and among death claims the average claim duration was 24 days less. The Score Card identified several characteristics of Central Coast claims that are associated with shorter claim durations, including faster notifications and initial treatment, the high proportion of injuries involving agricultural workers, lower attorney involvement rates, and a relatively low level of lien activity given the percentage of all claims that originate in the region.

**Claim Closure Rates by Claim Type at 24 Months Post Injury**

Central Coast vs. All Other Regions (AY 2005 – AY 2013 Claims)

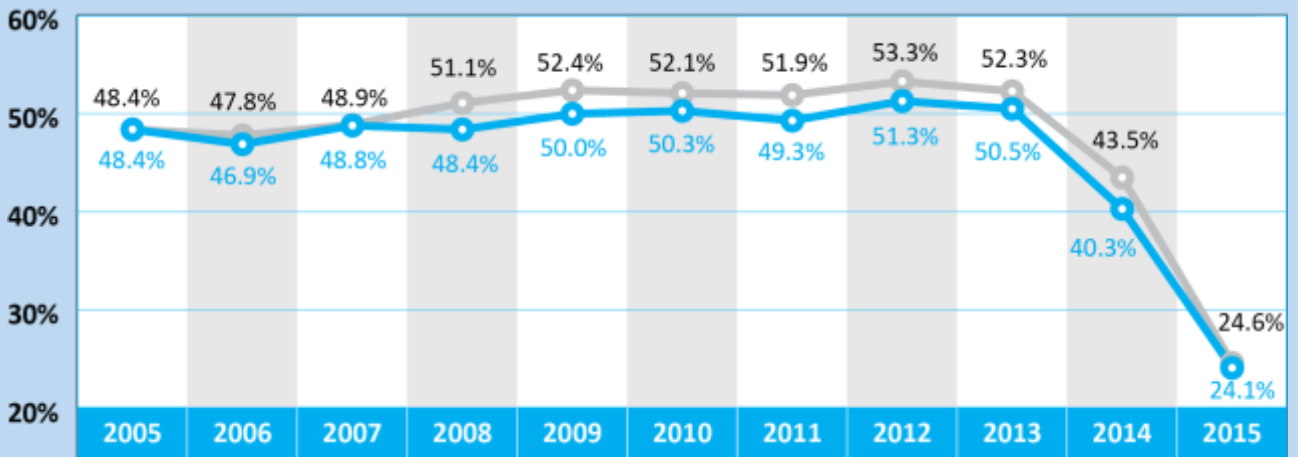


The overall claim closure rate for Central Coast claims at 2 years post injury is 75.2%, 1.5 percentage points higher than the rate for claims from the rest of California. Higher 24-month claim closure rates on the Central Coast are evident across all claim types, but are most prominent among lost-time cases, as the claim closure rate is 2.2 percentage points higher than in the rest of the state for TD claims, and 2.8 percentage points higher for PD claims.



**Attorney Involvement Rates for Indemnity (TD & PD) Claims**

Central Coast vs. All Other Regions (AY 2005 – AY 2015 Claims)

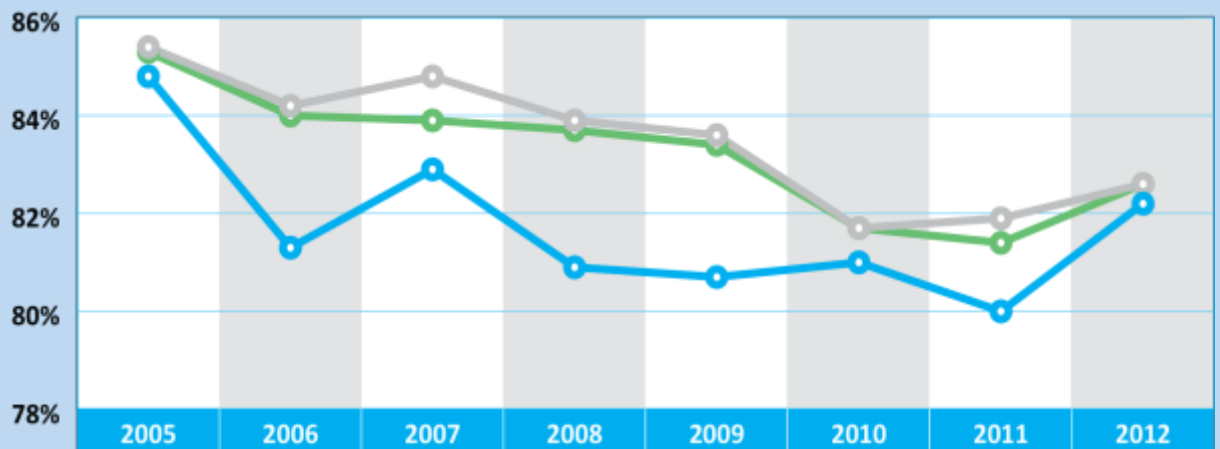


<b>Central Coast</b>	<b>AY 2005 – AY 2015 Average</b>	47.1%
<b>Other Regions</b>	<b>AY 2005 – AY 2015 Average</b>	48.9%
<b>Statewide</b>	<b>AY 2005 – AY 2015 Average</b>	48.8%

More than 47% of AY 2005-2015 indemnity claims filed by Central Coast residents involved attorneys, though that is slightly below the 48.9% rate for indemnity claims from all other regions, as the attorney involvement rates in the region were at or below the rates noted for other parts of California in each of the 11 years. Looking at results across that 11-year span, attorney involvement rates on Central Coast indemnity claims ranged from 0 to 3.2 percentage points less than the attorney involvement rates for indemnity claims from other regions.

**Attorney Involvement Rates on PD Claims ≥ 36 Months Old**

Central Coast vs. All Other Regions (AY 2005 – AY 2012 Claims)



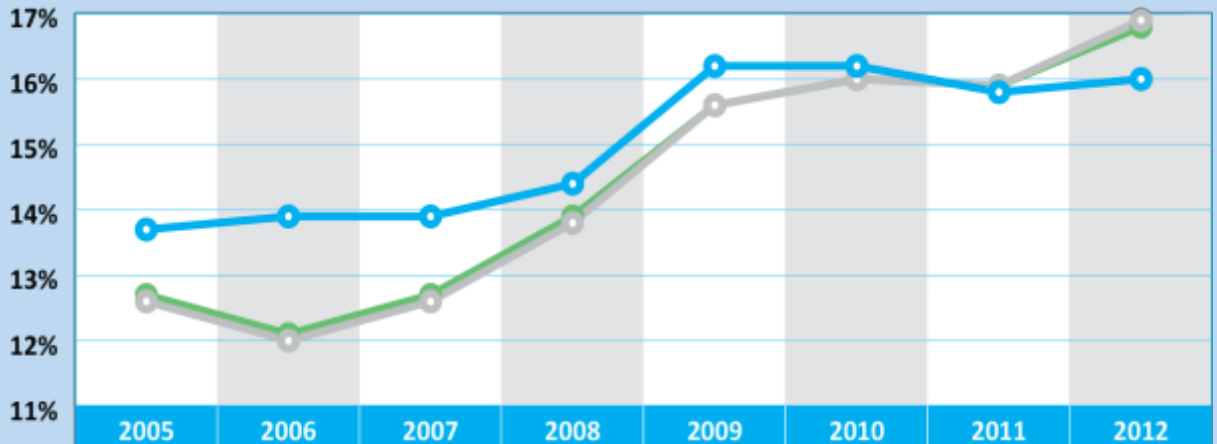
<b>Central Coast</b>	84.8%	81.3%	82.9%	80.9%	80.7%	81.0%	80.0%	82.2%
<b>All Other</b>	85.4%	84.2%	84.8%	83.9%	83.6%	81.7%	81.9%	82.6%
<b>Statewide</b>	85.3%	84.0%	83.9%	83.7%	83.4%	81.7%	81.4%	82.6%

Most PD claims involve attorneys, as the complexity and expense of these cases often lead to disputes over issues such as the compensability of the injury, the nature and extent of the disability, or the appropriate medical care. As a result, attorney involvement rates on PD claims are higher than on other claims, though attorneys often do not become involved until well after the injury date. Among AY 2005-AY 2012 PD claims that were at least 36 months old, attorney involvement rates on the Central Coast ranged from 0.4 to 3.0 percentage points below the attorney involvement rates for similar claims from other regions.



Permanent Disability Rates at 36 Months Post Injury

AY 2005 – AY 2012 Claims



	2005	2006	2007	2008	2009	2010	2011	2012
<b>Central Coast</b>	13.7%	13.9%	13.9%	14.4%	16.2%	16.2%	15.8%	16.0%
<b>All Other</b>	12.6%	12.0%	12.6%	13.8%	15.6%	16.0%	15.9%	16.9%
<b>Statewide</b>	12.7%	12.1%	12.7%	13.9%	15.6%	16.0%	15.9%	16.8%

From AY 2005 through AY 2010, the proportion of claims on which PD was paid within 36 months of injury was slightly higher on the Central Coast than in other parts of California, which may be related to the differences in the demographic and job mix in this region, including the high proportion of claims from agricultural workers who may have a greater need for PD advances and a greater willingness to close their claims quickly (also evidenced by shorter claim durations and higher claim closure rates in the region). Unlike the rest of the state, where the proportion of claims involving PD payments at the 36-month benchmark dipped briefly after the 2005 PD Rating Schedule was adopted, among Central Coast claims the percentage of claims involving PD increased gradually from 13.7% in AY 2005 to 16.2% in AY 2010, though as in other regions, most of that increase began after AY 2007 in the wake of several court rulings (Almaraz/Guzman, Ogilvie) that allowed PD in cases where previously there had been none. By AY 2010, the percentage of Central Coast claims that involved a PD award at 36 months post injury was about the same as in other parts of the state, and by AY 2012, the proportion of Central Coast claims with PD was slightly less than in other regions, although it was still nearly 1 out of every 6 claims.

**Average Number of Visits & Average Amounts Paid at 12 & 24 Months by Fee Schedule Section**

AY 2005-2014\* Indemnity Claims, Central Coast vs. All Other Regions and Statewide

**Visits at 12 Months**

Region	E/M	Surgery	Radiology	Medicine	PT	Chiro
Central Coast	8.9	1.2	2.1	0.9	9.3	1.2
All Other	8.7	1.1	2.1	1.1	8.7	1.0
<b>Statewide</b>	<b>8.8</b>	<b>1.1</b>	<b>2.1</b>	<b>1.1</b>	<b>8.8</b>	<b>1.0</b>

**Paid at 12 Months**

Region	E/M	Surgery	Radiology	Medicine	PT	Chiro
Central Coast	\$907	\$1,392	\$436	\$204	\$706	\$43
All Other	\$920	\$1,248	\$467	\$247	\$696	\$36
<b>Statewide</b>	<b>\$919</b>	<b>\$1,258</b>	<b>\$465</b>	<b>\$244</b>	<b>\$697</b>	<b>\$36</b>

**Visits at 24 Months**

Region	E/M	Surgery	Radiology	Medicine	PT	Chiro
Central Coast	11.5	1.5	2.6	1.3	11.7	1.5
All Other	11.2	1.4	2.6	1.7	10.9	1.2
<b>Statewide</b>	<b>11.3</b>	<b>1.4</b>	<b>2.6</b>	<b>1.6</b>	<b>11.0</b>	<b>1.2</b>

**Paid at 24 Months**

Region	E/M	Surgery	Radiology	Medicine	PT	Chiro
Central Coast	\$1,198	\$1,912	\$564	\$339	\$887	\$52
All Other	\$1,196	\$1,719	\$611	\$408	\$887	\$45
<b>Statewide</b>	<b>\$1,196</b>	<b>\$1,733</b>	<b>\$607</b>	<b>\$403</b>	<b>\$887</b>	<b>\$45</b>

\*12-month data is for AY 2005-2014 claims; 24-month data is for AY 2005-2013 claims.

The table above shows the average number of visits per indemnity claim at 12 and 24 months post injury for various types of medical services, along with the average amounts paid for those visits for Central Coast claims and claims from the rest of the state. At both the 12- and 24-month benchmarks, compared to claims from the rest of the state Central Coast claims averaged more visits for evaluation/management (E/M) services (office visits), physical therapy and chiropractic care; slightly more surgery visits; an equal same number of radiology visits, but fewer visits for Medicine Section services.

Average first-year payments on the Central Coast claims were lower for E/M services, radiology, and Medicine Section services, but were higher for surgery services, physical therapy and chiropractic manipulation. Average amounts paid at the 24-month benchmark were about the same on the Central Coast as in other regions for E/M and physical therapy, were slightly higher for chiropractic manipulation, and were significantly higher for surgery (\$1,912 vs. \$1,719 elsewhere). On the other hand, average 24-month payments on Central Coast claims were less than in the rest of the state for radiology (\$47) and Medicine Section services (\$69 less). The differences in average medical payments between the Central Coast and other parts of California may reflect multiple factors beyond the differences in the number of visits, including the number of services per visit, the mix of services provided, or the availability of lower rates negotiated with network providers in the region.

**PPO/MPN Utilization – 1st Year Visits**

## Network Utilization by Type of Service – Central Coast vs. All Other

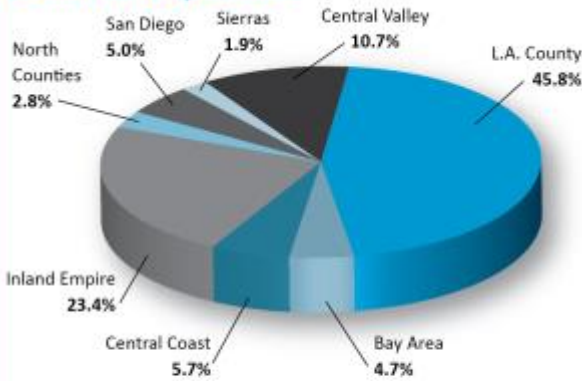
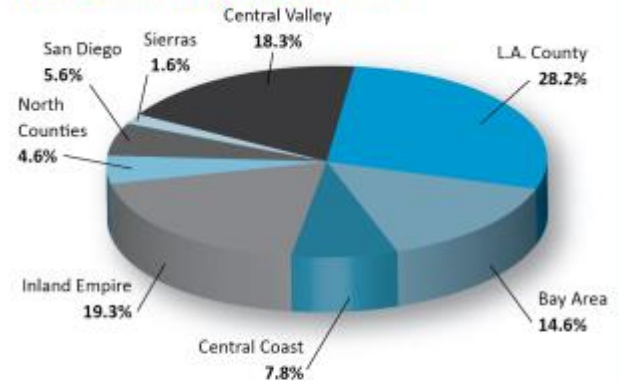
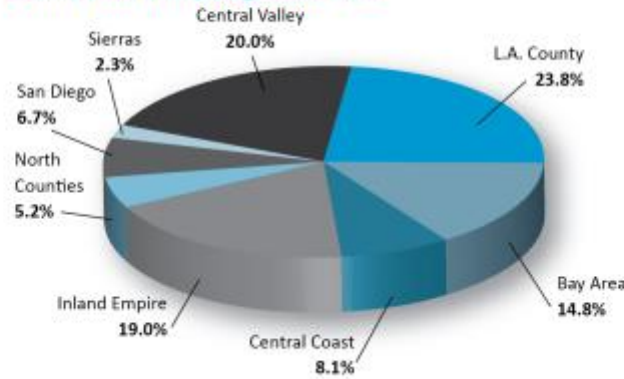
Type of Service		2005 – 2009	2010 – 2015
Evaluation/Management	Central Coast	76.8%	84.2%
	All Other	79.6%	88.4%
Surgery	Central Coast	65.8%	76.2%
	All Other	71.4%	78.4%
Radiology	Central Coast	65.8%	76.5%
	All Other	68.4%	78.8%
Medicine Section	Central Coast	66.0%	77.2%
	All Other	68.1%	76.6%
Physical Therapy	Central Coast	53.0%	73.9%
	All Other	63.9%	77.9%
Chiropractic Manipulation	Central Coast	62.8%	83.7%
	All Other	56.6%	79.0%
Total Visits	Central Coast	<b>66.1%</b>	<b>79.2%</b>
	All Other	<b>71.5%</b>	<b>82.5%</b>

The table above compares network utilization rates for first-year medical services for AY 2005-2009 and AY 2010-2015 claims from the Central Coast and from all other regions, broken out by treatment category. Overall, the percentage of first-year workers' comp medical services rendered by network providers has been lower on the Central Coast than in other parts of the state, and has consistently been so for most service categories except chiropractic manipulation and Medicine Section services since medical provider networks (MPNs) were introduced in 2005. Since the introduction of MPNs, network penetration has increased significantly in all regions of the state. Among Central Coast claims, the overall network utilization grew from 66.1% of all treatment visits in 2005-2009 to 79.2% in 2010-2015, while in other regions the network utilization rate grew from 71.5% to 82.5%.

The network utilization rates by service category for the most recent six-year period (2010-2015) show that network penetration is greatest for E/M services both for the Central Coast (84.2%) and other parts of California (88.4%). The use of networks on the Central Coast for other medical service categories ranges from a low of 73.9% for physical therapy to a high of 83.7% for chiropractic manipulation. Compared to other regions, use of network providers on the Central Coast ranges from 4.0 percentage points lower for physical therapy to 4.7 percentage points higher for chiropractic manipulation.

**Regional Distribution of Claims with Sleep Studies, Nerve Conduction Tests, & MRIs/Diagnostic Tests**

CY 2013 – CY 2015

**Claims with Sleep Studies**

**Claims with Nerve Conduction Tests**

**Claims with MRIs/Diagnostic Tests**


Medical services such as sleep studies, MRIs and diagnostic tests, and nerve conduction tests have been associated with high-cost workers' compensation claims. The pie charts above show the regional distributions of 2013-2015 claims that involved each of these types of services.

Claims by injured workers from the Central Coast accounted for 7.6% of California workers' comp claims during this 3-year period, but the distribution of claims with sleep studies shows the region had a disproportionately low share of these claims, accounting for only 5.7% of these claims, which were primarily concentrated further to the south in Los Angeles County, Orange County and the Inland Empire.

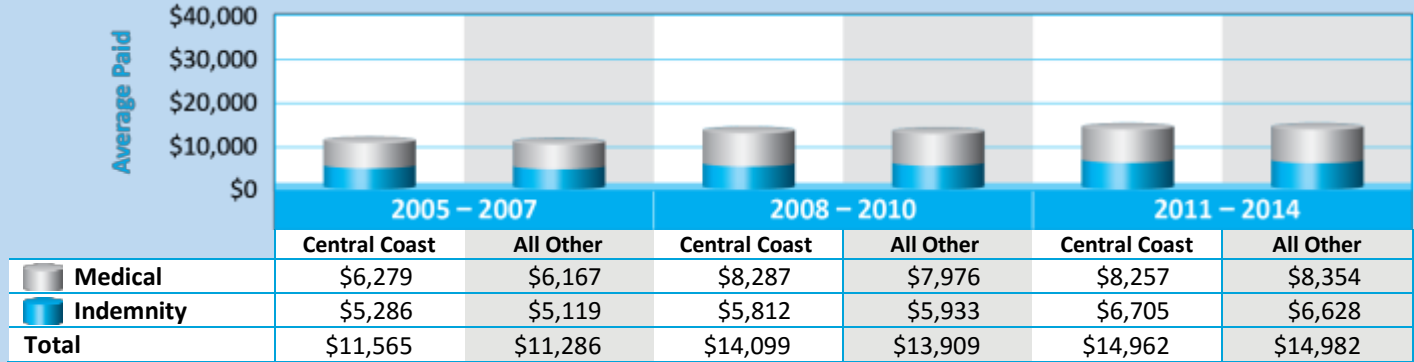
In contrast, 7.8% of the 2013-2015 claims with nerve conduction tests involved Central Coast residents, which was in line with the region's overall claim volume during this period. Furthermore, 8.1% of the claims that had MRIs and diagnostic tests involved injured workers from the Central Coast, which was slightly above the region's proportion of total California claim volume during the period.



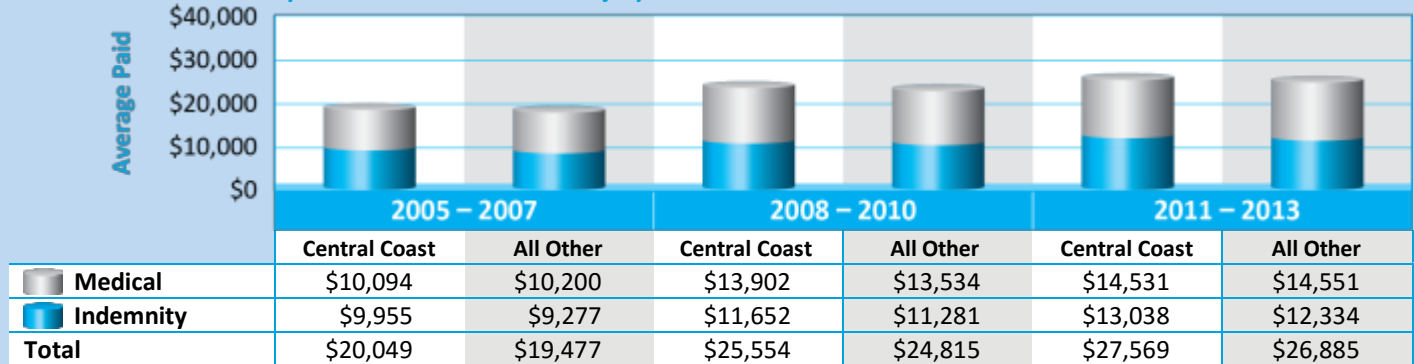
**Loss Development at 12, 24 and 36 Months**

Average Paid, AY 05-07, AY 08-10, AY 11-14 Indemnity Claims – Central Coast vs. All Other

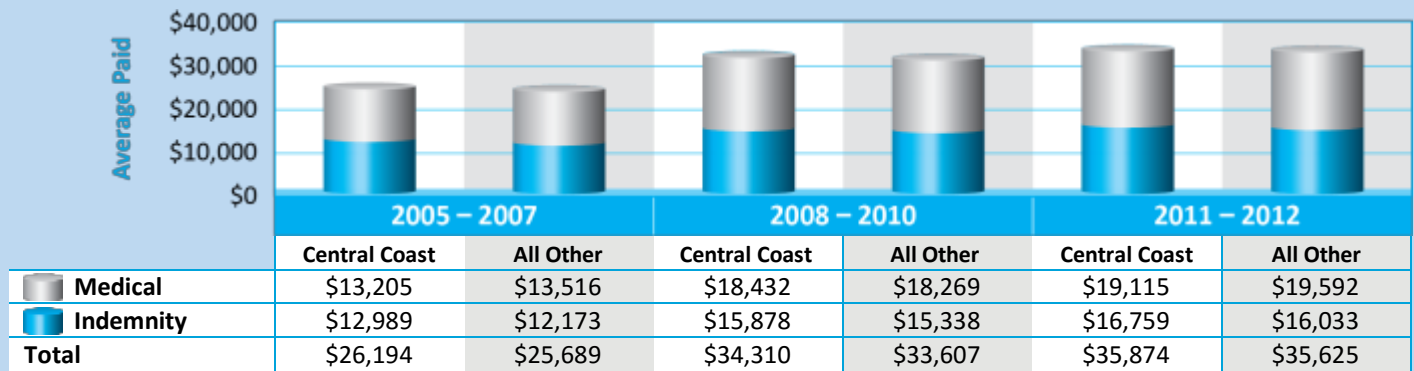
**AY 2005 – 2014 Indemnity Claims – 12 Months Post Injury**



**AY 2005 – 2013 Indemnity Claims – 24 Months Post Injury**



**AY 2005 – 2012 Indemnity Claims – 36 Months Post Injury**



The table above compares average paid losses for indemnity claims from the Central Coast to the average amounts paid on claims from other regions for 3 periods (AY 2005-2007, AY 2008-2010, and AY 2011 through the most recent year available). Average amounts paid for medical and indemnity benefits, and total losses, are noted at 12, 24, and 36 months post injury to show loss development on claims from each period.

Over the past decade, total loss payments per claim have been slightly higher on Central Coast claims than on claims from other regions at the 12- 24- and 36-month benchmarks. Except for the first-year loss payments on AY 2008-2010 claims, the Central Coast claims have consistently had higher average indemnity payments than claims from other regions, while average medical payments in this region have not displayed a consistent pattern, at times exceeding the average in other parts of the state, while at other times lagging behind the average for other regions.

The most fully developed data in the Score Card show average 36-month paid losses on Central Coast indemnity claims increased 37.0% from \$26,194 on AY 2005-2007 claims to \$35,874 on AY 2011-2012 claims, slightly less than the 38.7% growth in average loss payments for claims from other regions, which rose from \$25,689 to \$35,625. A breakdown of the growth in 36-month claim payments shows average medical losses at the 3-year benchmark increased 44.8% on the Central Coast claims, nearly identical to the 45.0% growth noted elsewhere, while average 36-month indemnity rose only 29.0% on the Central Coast claims vs. a 31.7% increase in indemnity payments for the rest of California.

**Regional Distribution of Prescription Drugs by Drug Category**

CY 2014 Central Coast vs. All Other and Statewide

	Central Coast	All Other Regions	Statewide
Analgesics – Opioid	27.3%	27.5%	27.4%
Analgesics – Anti-Inflammatory	17.6%	18.7%	18.6%
Antidepressants	8.4%	6.1%	6.3%
Musculoskeletal Therapy Agents	8.1%	9.5%	9.4%
Anticonvulsants	7.3%	6.9%	6.9%
Ulcer Drugs	6.6%	6.9%	6.9%
Dermatologicals	4.2%	5.1%	5.0%
<b>All Other</b>	<b>20.5%</b>	<b>19.3%</b>	<b>19.5%</b>

The distribution of 2014 workers' compensation prescription drugs by major drug category shows that opioid analgesics accounted for the highest share of workers' compensation prescription drugs on the Central Coast and in other parts of the state (27.3% on the Central vs. 27.5% in other regions and 27.4% statewide). Anti-inflammatory analgesics ranked second in terms of volume, with 17.6% of the Central Coast prescriptions, but that was 1.1 percentage point less than in other regions, while antidepressants were the third most frequently prescribed class of drugs on the Central Coast, accounting for 8.4% of the prescriptions which was 2.3 percentage points more than in the rest of the state.

The distribution of prescriptions among the four other major drug categories was marginally different on the Central Coast than in other regions, with musculoskeletal therapy drugs, ulcer drugs and dermatologicals each comprising a smaller share of the drugs prescribed to injured workers on the Central Coast, while anticonvulsants accounted for a slightly larger share.

**Regional Distribution of Prescription Drug Payments by Drug Category**

CY 2014 Central Coast vs. All Other and Statewide

	Central Coast	All Other Regions	Statewide
Analgesic – Opioid	27.9%	25.7%	25.9%
Analgesics – Anti-Inflammatory	12.0%	15.3%	15.0%
Ulcer Drugs	9.5%	8.4%	8.5%
Antidepressants	9.3%	5.9%	6.2%
Dermatologicals	8.7%	11.4%	11.1%
Anticonvulsants	6.8%	6.8%	6.8%
Musculoskeletal Therapy Agents	5.3%	5.4%	5.4%
<b>All Other</b>	<b>20.5%</b>	<b>21.1%</b>	<b>21.1%</b>

Opioid analgesics (i.e., Vicodin, Tramadol, Percocet and Oxycontin) were also the number one drug category in terms of the 2014 prescription drug spend both on the Central Coast, where they accounted for 27.9% of the prescription drug dollars, and in other parts of the state, where they represented a smaller share (25.7%). Anti-inflammatory analgesics (i.e., Ibuprofen, Naproxen, Celecoxib) ranked second in terms of prescription payments, but accounted for only 12.0% of the Central Coast's total workers' comp prescription drug spend vs. 15.3% in other regions. Similarly, dermatologicals also represented a smaller share of the prescription drug expenditures on the Central Coast compared to other regions (8.7% vs. 11.4%); while on the flip side, ulcer drugs (9.5%) and antidepressants (9.3%) each consumed a higher share of the prescription drug dollars on the Central Coast than in the rest of the state. The percentage of the overall prescription drug spend on the Central Coast that paid for anticonvulsants (6.8%) and musculoskeletal therapy agents (5.3%) was comparable to the rest of the state.



**Top 20 Prescription Drugs by Volume**

Central Coast vs. Other Regions (Calendar Year 2014)

Generic Name	Common Name	% of Total Prescriptions		
		Central Coast	Other Regions	Statewide
Hydrocodone-Acetaminophen	Vicodin	14.9%	14.7%	14.7%
Naprosyn	Aleve	6.0%	5.1%	5.2%
Tramadol	Ultram	5.1%	4.5%	4.6%
Gabapentin	Neurontin	4.1%	4.2%	4.1%
Omeprazole	Prilosec	4.1%	4.6%	4.6%
Ibuprofen	Advil	4.0%	6.1%	5.9%
Cyclobenzaprine	Flexeril	3.5%	4.2%	4.1%
Diclofenac	Voltaren	2.8%	2.3%	2.3%
Duloxetine	Cymbalta	2.1%	1.6%	1.6%
Celecoxib	Celebrex	2.1%	1.6%	1.6%
Lidocaine	Lidocaine	1.8%	1.9%	1.9%
Oxycodone	Oxycontin	1.7%	1.6%	1.6%
Pregabalin	Lyrica	1.7%	1.5%	1.5%
Zolpidem	Ambien	1.6%	1.6%	1.6%
Oxycodone-Acetaminophen	Endocet/Percocet	1.4%	1.7%	1.7%
Nabumetone	Relafen	1.4%	1.7%	1.7%
Carisprodol	Soma	1.4%	1.3%	1.3%
Pantoprazole	Protonix	1.3%	0.9%	1.0%
Meloxicam	Mobic	1.0%	1.2%	1.2%
Alprazolam	Xanax	1.0%	0.7%	0.8%
<b>Top 20</b>		<b>63.0%</b>	<b>63.0%</b>	<b>63.0%</b>

The top 20 drugs dispensed to injured workers on the Central Coast in calendar year 2014 are noted in the table above, along with the distribution of those drugs in other regions and statewide. The opioid combination drug hydrocodone-acetaminophen (Vicodin) was the most prescribed drug on the Central Coast and in other regions, accounting for 14.9% of the Central Coast prescriptions and 14.7% of the workers' comp prescriptions in the rest of the state. The nonsteroidal anti-inflammatory drug (NSAID) naprosyn (Aleve) used for inflammation and pain ranked second, accounting for 6.0% of the Central Coast prescriptions vs. 5.1% of the prescriptions in the rest of the state, while the opioid painkiller tramadol was the third most prescribed drug on the Central Coast, accounting for 5.1% of all prescriptions vs. 4.5% in the rest of the state. The anti-convulsant gabapentin and the antacid omeprazole also were among the top 5 Central Coast prescriptions, each accounting for 4.1% of the total in 2014.

Other drugs that represented a larger share of the prescriptions on the Central Coast than in other parts of the state included the nonsteroidal anti-inflammatories diclofenac and celecoxib; duloxetine, used as an antidepressant and for nerve pain; the antacid pantoprazole; and the anti-anxiety drug alprazolam. Conversely, drugs that accounted for a smaller share of the Central Coast prescriptions included the NSAIDs ibuprofen and nabumetone; the muscle relaxant cyclobenzaprine; and the opioid combination drug oxycodone/acetaminophen.

Lidocaine, which is often used as an ingredient in compounded medications, was number 11 on the list of the common prescriptions on the Central Coast, accounting for 1.8% of the prescriptions in the region vs. 1.9% in other parts of the state.



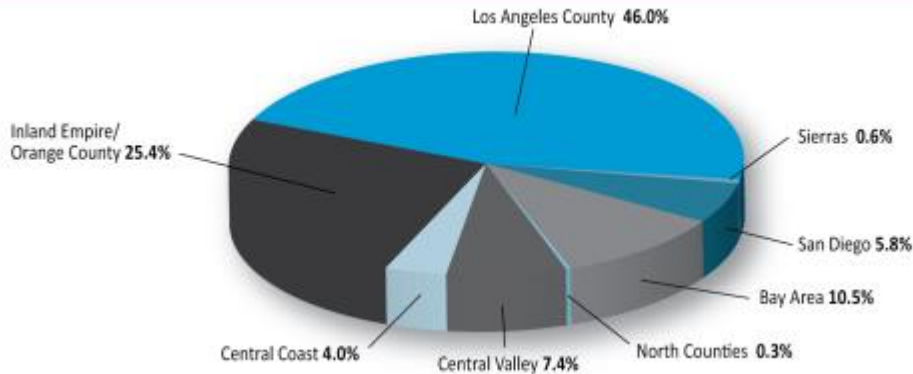
**Top 20 Prescription Drugs by Total Payments**

Central Coast vs. Other Regions (Calendar Year 2014)

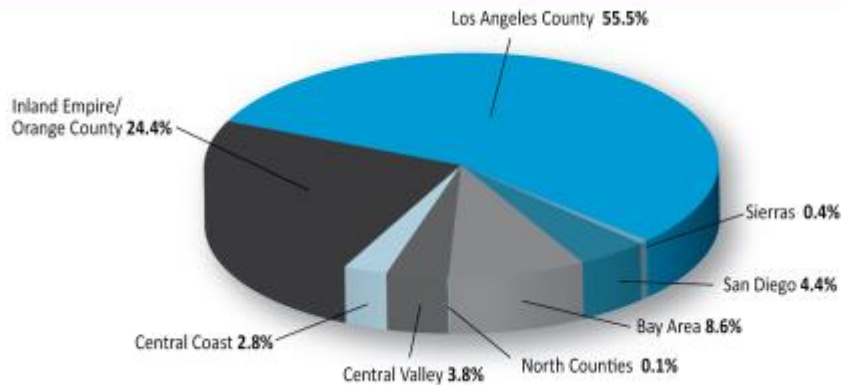
Generic Name	Common Name	% of Total Prescription Payments		
		Central Coast	Other Regions	Statewide
Hydrocodone w/Acetaminophen	Vicodin	6.1%	6.5%	6.5%
Oxycodone	Oxycontin	5.7%	5.1%	5.1%
Omeprazole	Omeprazole	5.3%	5.4%	5.4%
Tramadol	Ultram	4.7%	3.3%	3.4%
Duloxetine	Cymbalta	4.7%	3.2%	3.3%
Lidocaine	Lidocaine	4.6%	5.5%	5.4%
Pregbalin	Lyrica	4.3%	4.0%	4.1%
Celecoxib	Celebrex	4.0%	3.9%	3.9%
Fentanyl	Fentanyl	3.5%	2.1%	2.3%
Diclofenac	Voltaren	3.2%	2.7%	2.8%
Pantoprazole	Protonix	2.6%	1.2%	1.3%
Naprosyn	Aleve	2.5%	2.5%	2.5%
Cyclobenzaprine	Flexeril	2.4%	2.4%	2.4%
Gabapentin	Neurontin	2.0%	2.2%	2.2%
Oxycodone w/Acetaminophen	Endocet/Percocet	1.9%	2.3%	2.3%
Morphine	Morphine	1.5%	1.5%	1.5%
Menthol	Menthol	1.5%	1.9%	1.9%
Flurbiprofen	Ansaid	1.2%	3.6%	3.3%
Tapentadol	Nucynta	1.0%	1.0%	1.0%
Zolpidem	Ambien	0.9%	0.5%	0.6%
<b>Top 20</b>		<b>63.6%</b>	<b>60.8%</b>	<b>61.2%</b>

The table above lists the top 20 drugs dispensed to injured workers on the Central Coast in 2014 based on total drug spend, and compares the percentage of the workers' compensation prescription drug dollars spent on those drugs to all other regions and statewide. As in the statewide results, the opioid painkiller hydrocodone with acetaminophen (Vicodin) topped the list on the Central Coast, though 3 other opioid analgesics (#2 oxycodone, #4 tramadol, #9 fentanyl) also were among the top 10 prescriptions in terms of the region's total drug spend. Together, these 4 opioid painkillers consumed 20 cents out of every dollar spent on workers' comp prescription drugs on the Central Coast vs. 17 cents out every prescription dollar spent elsewhere. Two other opioids, oxycodone with acetaminophen and morphine, were on the top 20 list, and together they represented another 3.4 percent of the region's prescription drug spend. Opioids and nonsteroidal anti-inflammatories (NSAIDs) can cause digestive issues, so the antacid omeprazole ranked third in terms of total drug payments on the Central Coast, consuming 5.3% of the prescription dollars, while another antacid, pantoprazole, accounted for an additional 2.6%.

Drugs that accounted for a higher share of the total drug spend on the Central Coast than in other parts of the state included duloxetine, used as an antidepressant and for nerve pain; the nonsteroidal anti-inflammatory diclofenac; the anticonvulsant pregbalin; and the sleep aid zolpidem. Prescription drugs that were on the region's top 20 list but represented a smaller share of the Central Coast's total drug spend compared to other regions included lidocaine and menthol, often found in compounded drugs, and the nonsteroidal anti-inflammatory flurbiprofen.

**Distribution of California Workers' Comp Claims with Lien Payments by Region**


Liens for medical care and other services have become a significant cost driver in California workers' compensation. To determine the distribution of liens across California, the author used the IRIS database to draw a sample of claims that had lien payments then used the injured workers' ZIP codes to group the claim sample into the 8 Score Card regions. The regional distribution of those lien claims is shown above. Los Angeles County and the Inland Empire/Orange County accounted for most (71.4%) of the claims with lien payments, but lien claims are far less prevalent in the Central Coast region. Although Central Coast workers accounted for 6.7% of all claims in the state, they were only associated with 4.0% of the claims that had lien payments.

**Distribution of California Workers' Comp Lien Dollars Paid by Region**


The distribution of workers' compensation lien payments by region shows that nearly 80% of these payments were made on claims from residents of Los Angeles County, Orange County and the Inland Empire. Claims by Central Coast residents, which account for 6.3% of paid losses in California workers' compensation, represent only 2.8% of the workers' comp lien payments.

**IRIS Regional Scorecards** are based on Industry Research Information System data, compiled and maintained by the California Workers' Compensation Institute, 1333 Broadway, Suite 510, Oakland CA 94612, (510) 251-9470, [www.cwci.org](http://www.cwci.org).

**About CWCI:** The California Workers' Compensation Institute, incorporated in 1964, is a private, non-profit organization of insurers and self-insured employers conducting and communicating research and analyses to improve the California workers' compensation system.

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