California Workers' Compensation Institute

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BULLETIN

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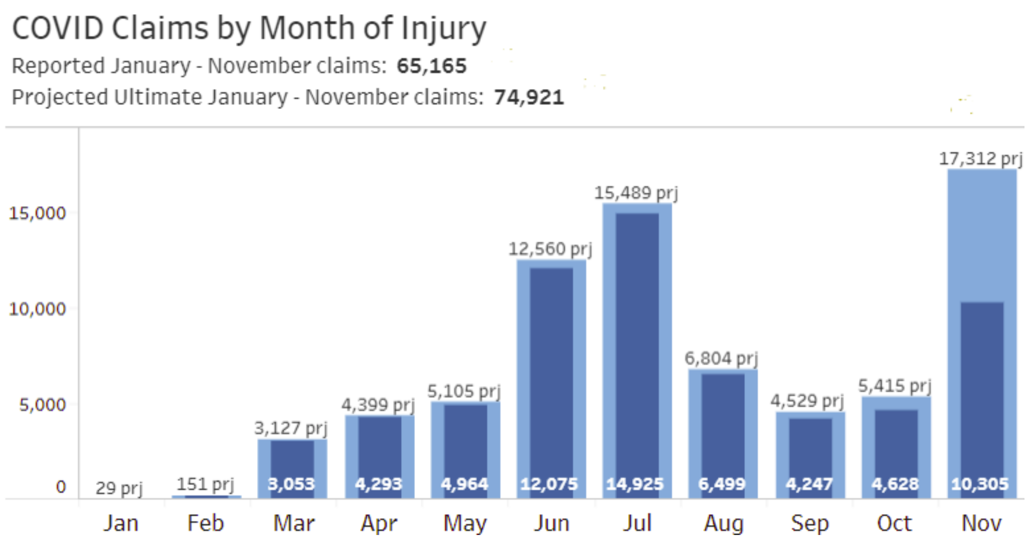
California workers' compensation COVID-19 monthly claim volume, which peaked in July then declined sharply in August and September, has begun trending up again, climbing 9.0% in October, then more than doubling in November as the latest wave of Coronavirus hits the state according to updated figures from CWCI's COVID-19 and Non-COVID-19 Interactive Claim Application.

The newest version of the CWCI app, which provides detailed information on California workers' comp claims from comparable periods of 2019 and 2020, contains data on 1,171,608 claims from the first 11 months of accident year (AY) 2019 and the first 11 months of AY 2020, reported to the Division of Workers' Compensation (DWC) as of December 14. Although the October and November claim counts are relatively green as claims from those months are still coming in or still under investigation, the app shows that as of December 14, there were 65,165 COVID-19 claims with January through November dates of injury reported to the DWC, or nearly 1 out of every 8 claims reported for the first 11 months of 2020, though with the recent surge, that proportion rose to 1 out of every 4 claims reported in November. The COVID-19 claims include 336 death claims, a 50% increase from the 224 death claims that were reported as of September 21.



Even with the addition of the COVID-19 claims to the 2020 total, thus far only 531,959 workers' compensation claims with January through November injury dates have been reported this year, which is down 16.8% from the 639,649 claims reported for the first 11 months of 2019. That decline reflects the likely contributions of both the economic slowdown and the large number of Californians who continue to work from home, though the difference in claim volume between 2019 and 2020 is only 10.4% if CWCI's updated projection of the ultimate claim count for this year is considered. That projection, based on historical claim development that includes the delayed reporting of COVID-19 claims, estimates that there will ultimately be 74,921 COVID-19 claims from January through November, with the 17,312 claims projected for November representing the highest total for the year thus far. That said, public health officials warn that with increasing numbers of people gathering during the holidays, the number of COVID cases in the state will likely continue to spike into early 2021, which if it comes to pass, will likely be reflected in workers' comp COVID-19 claim counts as well.

In addition to noting the resurgence in COVID-19 claim volume since September, the new data also shows shifts in COVID-19 claim characteristics since the pandemic began to take hold in March. For example, the following table compares the regional distributions of COVID-19 claims from last spring through the summer and into the fall.

Distribution of WC COVID-19 Claims by Region -- March Through November Injury Dates

Region	Mar	Apr	May	Mar-May	Jun	Jul	Aug	Jun-Aug	Sept	Oct	Nov	Sept-Nov	Mar-Nov
L.A. Co.	33.4%	46.0%	37.0%	**39.2%**	28.3%	21.9%	20.5%	**23.9%**	22.3%	23.8%	24.9%	**24.1%**	**26.9%**
Inland Em/OC	14.1%	18.5%	27.8%	**21.2%**	27.9%	23.4%	18.8%	**24.1%**	19.3%	24.1%	27.7%	**24.9%**	**23.8%**
Central Valley	12.5%	12.4%	13.3%	**12.8%**	19.9%	27.7%	28.1%	**25.0%**	23.3%	19.3%	19.2%	**20.1%**	**21.2%**
Bay Area	28.6%	14.0%	10.4%	**16.2%**	11.9%	14.4%	20.0%	**14.6%**	19.5%	17.7%	12.7%	**15.4%**	**15.1%**
San Diego	5.5%	5.9%	7.6%	**6.5%**	5.4%	5.1%	4.8%	**5.2%**	6.9%	6.8%	7.0%	**6.9%**	**5.9%**
Central Coast	3.3%	1.9%	2.9%	**2.6%**	5.3%	5.4%	4.7%	**5.2%**	5.6%	3.9%	4.4%	**4.6%**	**4.6%**
No. Cos/Sierra	1.6%	0.7%	0.6%	**0.9%**	0.9%	1.6%	2.5%	**1.5%**	2.3%	3.8%	3.7%	**3.4%**	**1.9%**
Out of State	1.1%	0.7%	0.4%	**0.7%**	0.4%	0.5%	0.6%	**0.5%**	0.8%	0.6%	0.4%	**0.6%**	**0.5%**

In the early months of the pandemic, Los Angeles County was hardest hit by the Coronavirus, and accounted for nearly 40% of the COVID-19 claims while neighboring Inland Empire/Orange County region ranked second with about half as many claims (21.2%), followed by the Bay Area (16.2%) and the Central Valley (12.8%). COVID-19 claim numbers soared in the summer months, particularly in the Central Valley, which became the number one hotspot in the state, accounting for 25.0% of the COVID-19 claims with June through August injury dates, while the Inland Empire/Orange County's share of the COVID-19 claims increased to 24.1%, Los Angeles County's proportion plunged from 39.2% to 23.9%, the Bay Area's share dipped from 16.2% to 14.6%, and the Central Coast's percentage doubled from 2.6% to 5.2%. The shifts in the distribution of COVID-19 claims between the summer and fall have been far less dramatic, with L.A. County and the Inland Empire/Orange each continuing to account for about a quarter of the COVID-19 claims, the Central Valley's share dropping from 25.0% to 20.1%, the Bay Area's percentage edging up to 15.4%, and San Diego's share rising from 5.2% to 6.9%. At the same time, the Central Coast saw its proportion fall from 5.2% to 4.6%, while the Northern Counties/Sierras' share more than doubled from 1.5% to 3.4% as claims surged in October and November.

The distribution by industry shows the health care sector continues to account for more of California's COVID-19 workers' comp claims than any other sector, though that sector's share has declined from nearly half (47.8%) of the COVID-19 claims with March-May injury dates to less than a third (31.2%) of the claims from September-November. Public safety and government workers rank second in terms of COVID-19 claims, but their share has held steady at about 15.0% of the COVID-19 claims. Retail workers have filed 8.5% of the COVID-19 claims this year, but between the spring and fall, their share has grown steadily from 6.7% to 10.5% of the claims. The manufacturing sector, which has accounted for 8.4% of the COVID-19 claims this year, saw its share jump from 6.3% in the spring to 9.5% this summer, then retreat to 7.8% in the fall; while the food service sector, which has accounted for 4.2% percent of COVID-19 claims this year, saw a similar pattern, as its share rose from 2.8% in the spring to 4.9% in the summer, then fell to 3.9% in the fall. Sectors that have seen significant growth in their share of the COVID-19 claims include transportation, which went from 3.3% to 7.4% of the claims between the spring and fall, accounting for 5.6% of all claims through November, and construction which went from 1.3% to 3.2% of the claims between the spring and fall, for a net 2.8% of all COVID-19 claims reported this year. Notably, agricultural workers, who have accounted for 2.7% of all COVID-19 claims this year, went from 2.6% of the claims in the spring to 3.6% in the summer, but then saw their share decline to 1.1% this fall.

Demographic data in the app show a growing proportion of COVID-19 claims involve males, who accounted for just 44.2% of the claims with March-May injury dates, 50.6% of the claims with June-August injury dates, but 53.0% of the claims with September-November injury dates. Likewise, younger workers (under age 30) now represent a larger share of the COVID-19 claims, as their proportion jumped from 21.0% of the March-May COVID-19 cases to 27.0% this fall. Another notable finding: the denial rate for non-COVID-19 claims, which was consistently in the 10.5%-12.5% range in 2019, rose to 16.0% last March, but has declined steadily ever since, falling to 6.3% in September and 4.0% in October, though the denial rates on the fall claims are still green and may increase. Meanwhile, the denial rate for COVID-19 claims has shown only minor fluctuations since April, as roughly 1/3 of all COVID-19 claims continue to be denied.

CWCI continues to update its COVID-19/Non-COVID-19 app on a biweekly basis. Those who wish to monitor and compare COVID-19 and non-COVID-19 claim experience can access the app from the CWCI website by clicking here.

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