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BULLETIN

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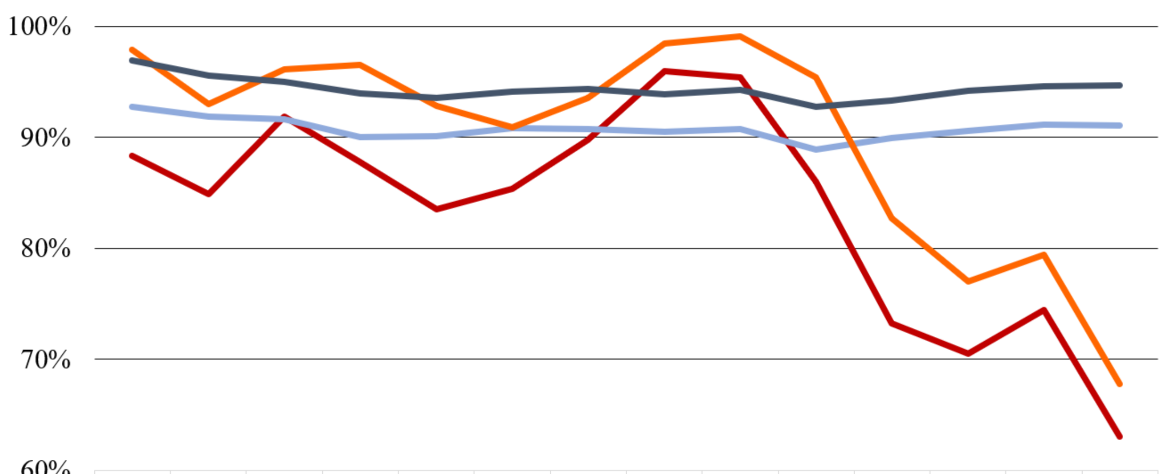
Despite the reopening of the California economy, slowing vaccination rates, and the surge in COVID-19 cases involving the highly infectious Delta variant, the monthly count of COVID-19 workers' compensation claims in the state fell to a 16-month low in June, though in an ominous new trend, data on the timeliness of claims reporting to employers shows a growing proportion of COVID-19 claims with delayed reporting.

The latest update to CWCI's COVID-19/Non-COVID-19 Interactive Claim App features data on California work injury claims from both the pre-pandemic and pandemic periods, encompassing 1.5 million claims with dates of injury from January 1, 2019 through June 30, 2021 reported as of July 12 to the DWC. After hitting a record 43,109 COVID-19 claims in December, the number of COVID-19 cases declined by 49.3% in January to 21,841 claims, then continued to trend down through the first half of this year, with monthly tallies for May and June now standing at 668 and 453 claims respectively. That brings the pandemic total to 147,758 COVID-19 claims, including 1,012 death claims. Additional claims from prior months are still being reported, but CWCI projections that control for late reporting estimate that ultimately there will only be 741 COVID-19 claims for May and 612 claims for June.

Although COVID-19 claim volume has declined steadily this year, prompt reporting of COVID-19 claims has become a growing concern. Data on the timeliness of COVID-19/Non-COVID-19 claim reporting shows that since the peak in COVID-19 claim volume at the end of last year, the percentage of coronavirus claims that have been reported to the employer within 14 days of the alleged date of injury has declined from 95% in December to 65% in May. In contrast, the percentage of non-COVID claims reported within two weeks has barely budged, ranging between 89% and 91% over the same six-month span. Similarly, the percentage of COVID-19 claims reported within 30 days of the alleged injury date has dropped from 99% in December 2020 to just 70% in May 2021, while once again, the proportion of non-COVID claims reported within 30 days has held steady, ranging between 93% and 95% over the same period.

Timeliness of California WC COVID-19 & Non-COVID-19 Claim Reporting
Percent of Claims Reported Within 15 Days and 30 Days of the Alleged Injury Date



	April 2020	May 2020	June 2020	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	April 2021	May 2021
COVID <=14 Days	88%	85%	92%	88%	84%	85%	90%	96%	95%	86%	73%	71%	74%	63%
Non-COVID <=14 Days	93%	92%	92%	90%	90%	91%	91%	91%	91%	89%	90%	91%	91%	91%
COVID <=30 Days	98%	93%	96%	97%	93%	91%	94%	98%	99%	95%	83%	77%	79%	68%
Non-COVID <=30 Days	97%	96%	95%	94%	94%	94%	94%	94%	94%	93%	93%	94%	95%	95%

To identify factors associated with the recent decline in the percentage of COVID-19 claims reported promptly, the COVID-19 and non-COVID claims were segregated into two subsamples: claims with employer notification dates from April through December 2020; and claims with January 2021 through May 2021 employer notification dates. To allow for comparable data from older and newer claims in the data set, each subsample was limited to claims reported within 180 days of the injury date. Those 2020 and 2021 subsamples were then used to develop and compare claim reporting distributions at 14 and 30 days post injury, broken out by claimant age, gender, industry, region, nature and cause of injury, and whether the employer was insured or self-insured. The analysis points to three key variables associated with the increasing share of COVID-19 claims with delayed reporting:

- **Insured/Self-Insured Status:** Overall, the percentage of COVID-19 claims reported to employers within 14 days declined from 91.8% in 2020 to 82.0% in 2021, while the percentage of all COVID claims reported within 30 days fell from 96.9% to 90.8%. But the breakouts for insured and self-insured claims show the decline in the proportion of COVID claims that were promptly reported has been far greater among self-insured claims. The percentage of self-insured COVID claims reported within 14 days fell from 91.1% in 2020 to 76.5% in 2021 (-14.6 percentage points); while among insured claims the percentage fell from 92.2% to 87.0% (-5.2 percentage points). Likewise, the proportion of self-insured COVID claims reported within 30 days fell from 97.4% to 88.3% (-9.1 percentage points), while among insured COVID claims the percentage reported within 30 days fell from 96.7% to 93.2% (-3.5 percentage points).
- **Industry:** The decline in the share of COVID claims reported promptly was evident across most industries, but was most pronounced in the agriculture, public safety/government, administration and waste, and education sectors. The proportion of COVID claims reported within 14 days in the agriculture sector fell from 90.9% in 2020 to 60.6% in 2021 (-30.3 percentage points); the share of COVID claims from public safety/government workers reported within 14 days fell from 90.7% to 68.2% (-22.5 percentage points); in the administration and waste sector the proportion fell from 92.3% to 78.4% (-13.9 percentage points); while in the education sector, COVID claims reported within 14 days fell from 91.1% to 79.7% (-11.4 percentage points). The proportion of COVID claims reported within 30 days also declined in most sectors, led by agriculture, where the proportion fell from 96.3% in 2020 to 66.8% in 2021 (-29.5 percentage points), and public safety/government, where the proportion fell from 97.2% to 84.7% (-12.5 percentage points). The education and administration/waste sectors experienced similar declines, falling by 7.2 and 8.4 percentage points respectively.
- **Region:** The percentage of COVID claims with prompt reporting declined across all regions in 2021, but the declines have been most prominent in rural areas. In the Northern Counties/Sierras, the share of COVID claims reported within 14 days fell from 90.5% in 2020 to 66.2% in 2021, a 24.3 percentage point decline; on the Central Coast that proportion dropped from 94.4% to 80.6% (-13.8 percentage points); and in the Central Valley it fell from 90.0% to 78.5% (-11.5 percentage points). Among the more populous regions, the biggest drop was in the Inland Empire/Orange County where the share of COVID claims reported within 14 days fell from 91.7% to 80.1% (-11.6 percentage points). The proportion of COVID claims reported at the 30-day benchmark also declined statewide, and again, rural areas registered the biggest declines, with the Northern Counties/Sierras falling from 97.7% in 2020 to 84.2% in 2021 (-15.5 percentage points); while on the Central Coast the proportion fell from 98.1% to 90.9% (-7.2 percentage points); and in the Central Valley it went from 97.1% to 90.2% (-6.9 percentage points). The Inland Empire/Orange County again saw the biggest decline among the heavily populated regions, falling from 97.1% to 89.6% percent (-7.5 percentage points).

To some extent, the steep drop-off in the percentage of COVID claims reported at 14 and 30 days may be early evidence of the long-haul effect of COVID-19 claims or changes in the level of attorney involvement or other variables, though it's notable that at this point, those factors have not led to an increase in COVID-19 claim volume. The Institute will continue to monitor COVID-19 claim activity and update the COVID-19/non-COVID 19 app on a biweekly basis. The latest update to the app can be viewed by clicking here.

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