



New York State Insurance Department

New York State Workers' Compensation Board



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WORKERS GETTING INCREASED BENEFITS AND DISPUTED CLAIMS BEING RESOLVED FASTER AS PROGRESS CONTINUES IN IMPLEMENTING WORKERS' COMP REFORM

Governor Says Reform Objectives Continue to be Achieved

Governor David A. Paterson today reported that key goals of the 2007 Workers' Compensation Reform Act continue to be achieved with increased benefits paid to injured workers, resolution of disputed claims within a 90-day target and reduced costs to businesses, following the release of the 2009 Workers' Compensation Data Report by Insurance Superintendent Eric Dinallo and Zachary S. Weiss, Chair, Workers' Compensation Board (WCB).

"These reforms make New York State a better place to do business, which is critical at a time when everyone is suffering because of our economic crisis. The State must do everything in its power to protect our workers and businesses. This report details the significant advances we have made," said Governor Paterson. "Benefits to injured workers have increased, costs for businesses have decreased, fraud is being eliminated, and injured workers with disputed claims are getting benefits faster."

Data Reports are required to capture workers' compensation data for policy makers and other stakeholders and to measure progress in implementing the Reform Act. This year's Data Report is the second issued since passage of the Act.

According to the Data Report, 57 percent of claimants injured after July 1, 2007, received higher awards due to the increase in maximum weekly benefits to \$500 from \$400. Benefit awards are based on a formula that takes into account an injured worker's pre-injury wage and in some cases post-injury earning capacity.

The Governor noted strong progress in implementing the streamlined process designed to accelerate resolution of disputed claims.

"Injured workers need timely medical care and wage replacement if they are to heal and successfully return to the workplace. Our new processes to resolve disputed claims are working and these claimants are getting needed benefits faster," said Governor Paterson.

The Report indicated that the streamlined process to resolve disputed claims led to a 42 percent reduction in pending controverted claims between April 1, 2008, and Jan. 1, 2009. For the past six months, 85 percent of disputed claims have been resolved in less than 90 days from the point of dispute. Resolving controverted claims in less than 90 days was a goal of the workers' compensation reform process.

The Report noted significant improvements in the WCB's administrative review process, including improvements in processing appeals. Only nine percent of claims awaiting an administrative review as of February 1, 2009, were more than six months old compared to more than 22 percent of claims in March 2008.

The Report stated that increased cooperation and data sharing between the WCB Office of the Inspector General and other agencies has led to decreased duplication of services and stronger fraud prevention. Since June 2008, the WCB has issued approximately 200 stop work orders per month against employers failing to comply with workers' compensation coverage requirements.

There was a reduction in approved rates for workers' compensation coverage for the year starting in October 2007 that decreased employer costs by 20.5 percent. Employers saw another five percent average decrease in approved rates beginning in October 2008.

The Report also provides additional performance benchmarks, an analysis of key aspects of the workers' compensation system and an update on progress in implementing long-term recommendations from last year's Data Report.

The Report can be found on the Insurance Department's website at http://www.ins.state.ny.us/press/2009/nysid_wcb090227.pdf and on the Workers' Compensation Board website at <http://www.wcb.state.ny.us/content/main/TheBoard/2009DataCollectionReport.jsp>

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