R E P O R T   T O   T H E   J U D I C I A L   C O U N C I L

For business meeting on May 17, 2019

Title

Judicial Branch Administration: Judicial Branch Workers' Compensation Program

Rules, Forms, Standards, or Statutes Affected

N/A

Recommended by

Judicial Branch Workers' Compensation Program Advisory Committee
Tania Ugrin-Capobianco, Chair

Agenda Item Type

Action Required

Effective Date

May 17, 2019

Date of Report

April 26, 2019

Contact

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Executive Summary

The Judicial Branch Workers' Compensation Program (JBWCP) Advisory Committee recommends approval of the workers' compensation cost allocation for fiscal year (FY) 2019–20 in the amount of $18.2 million for the trial courts and $1.3 million for the state judiciary. Based on a reduction from the previous year in the total cost of claims and stable payroll growth overall, the FY 2019–20 funding need reflects a 4.51 percent reduction (trial courts) and a 2.48 percent reduction (state judiciary) in cost allocations.

Recommendation

The Judicial Branch Workers' Compensation Program Advisory Committee recommends that the Judicial Council, effective May 17, 2019:

1. Approve the workers' compensation cost allocation for FY 2019–20 for participating trial courts and the state judiciary (Attachment A: Member Premium Allocation for Fiscal Year 2019-2020 (Draft)).

2. Approve the JBWCP Advisory Committee's recommendations to improve the administration of the workers' compensation program. These improvements are outlined in the policy implications section of this report.

Relevant Previous Council Action

At its meeting in May 2018, the Judicial Council approved the program's workers' compensation premium for FY 2018–19 for participating members and requested that the committee continue to improve the administration of the workers' compensation program. These improvements included measuring the performance of the third party administrator every quarter, researching the development of a statewide mentor court program, and evaluating the effectiveness of a pilot return-to-work study. The Judicial Council also approved the committee's efforts to modify the settlement authority policy.

Analysis/Rationale

The recommended FY 2019–20 cost allocation is consistent with the program's performance over the past year. Performance is measured across three categories: loss rate, severity, and frequency.

FY 2018–19 workers' compensation trends

Loss rate. Loss rates reflect each dollar of loss per $100 of payroll. The JBWCP uses payroll as a measure of exposure. If loss costs remain fixed, loss rates generally decrease when payroll costs increase and increase when payroll costs decrease. In the last 10-year period beginning in FY 2008–09, loss rates for both sides of the program have seen a general decrease:

Entity	FY 2008–09 through 2013–14 (average loss rate)	FY 2014–15 through 2017–18 (average loss rate)	FY 2018–19 (projected loss rate)
Trial Courts	$1.59	$1.43	$1.35
Judiciary	$.101	$.062	$.07

The trial courts' decreasing loss rates are caused by two factors: increasing total payrolls and stable loss costs over the 10-year period. While the judiciary's loss costs are marked by high volatility, it has benefited from decreasing loss costs from FY 2008–09 through FY 2018–19. Coupled with increasing total payrolls, the judiciary also shows a decreasing loss rate over the same time period.

This is a positive indicator for the entire program. JBWCP staff will work with the advisory committee to ensure losses are controlled for upcoming years by identifying factors that prevent or reduce the incidence of injuries in the workplace.

Claims severity. Claim severity, or cost per claim, has shown stability for the past five years. There are no immediate concerns for the trial courts, but the judiciary's volatility makes cost

projections harder to predict. In general, the judiciary's claim severity averaged $19,900 from FY 2008–09 through FY 2012–13. Since that time, the average claim severity has declined to $14,500. The projected amount for FY 2018–19 reflects that downward trend.

Average Cost per Claim					
Entity	FY 2014–15	FY 2015–16	FY 2016–17	FY 2017–18	FY 2018–19 (projected)
Trial Courts	$21,900	$22,000	$21,100	$23,300	$23,100
Judiciary	$9,100	$19,600	$23,100	$9,500	$15,600

The judiciary's volatility and downward trend are more accurately captured in the chart below. Due to the judiciary's lower frequency of injuries, it is subject to large swings when injuries occur. This makes it difficult to compare the judiciary's performance to the trial courts' performance since the trial courts' stable average costs are due, in large part, to its abundance of loss data, that is, its higher number of injuries.

Judiciary
Workers' Compensation
Dollars of Loss per Claim
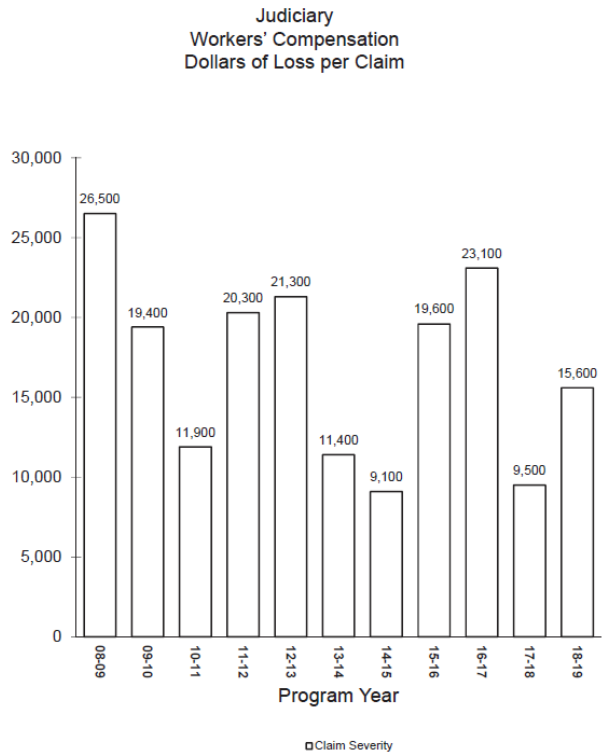
Regardless, decreasing and stable average costs are positive indicators of performance for both sides of the JBWCP. This period of stability has afforded the program time to review root causes of decreasing costs in order to replicate results in future years.

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Claims frequency. Claims frequency, or number of claims per $1 million of payroll, has been decreasing for the trial courts. The FY 2018–19 projected claims frequency of 0.60 reflects the downward trend the program has been experiencing since FY 2008–09.
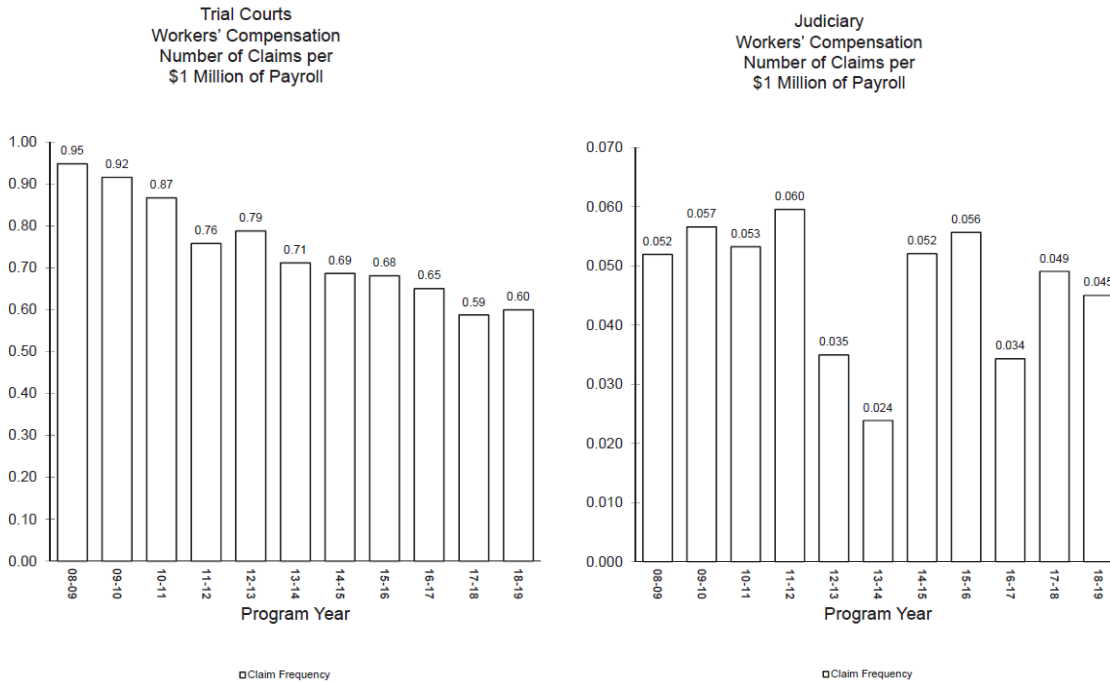
The judiciary's claims frequency has ranged from a high of 0.06 to a low of 0.024. When compared to the five-year average beginning in FY 2008–09 to the five-year average beginning in FY 2013–14, frequency levels have decreased overall for the judiciary. As stated previously, the judiciary's frequency level is low. At these levels, there are no major volatility concerns for the program.

Impact on premiums. Funding projections provided by the actuary are distributed among all program members and form the basis of premium payments made to the program. When developing the total funding projection, the actuary bases its liability figures on measures of incurred loss (ultimate value of a claim prior to settlement), paid loss (losses actually paid on all reported claims), and ultimate loss (the ultimate value of a claim after settlement). Across all three measures illustrated below, the program has performed better than expected.

Table 1. Incurred Loss

	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Trial Courts	$12,874,000	$5,264,194	($7,609,806)
Judiciary	$579,000	$385,022	($193,978)
Total	$13,453,000	$5,649,216	($7,803,784)

Table 2. Paid Loss and Allocation Loss Adjustment Expenses (ALAE) Development

	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Trial Courts	$13,891,000	$13,514,435	($376,565)
Judiciary	$547,000	$568,352	$21,352
Total	$14,438,000	$14,082,787	($355,213)

Table 3. Ultimate Loss and ALAE

	Expected Incurred Development	Actual Incurred Development	Actual Minus Expected
Trial Courts	$273,689,000	$270,259,000	($3,430,000)
Judiciary	$21,673,000	$21,569,000	($194,000)
Total	$295,362,000	$291,828,000	($3,624,000)

Due to this favorable development, premiums for the trial courts and the state judiciary have decreased heading into the new fiscal year.

Trial Courts

	Prior Report 2018-19 Retention = $2M	Current Report 2019-20 Retention = $2M	Change
(A) Ultimate Loss and ALAE:	$15,820,000	$14,999,000	($821,000)
(B) Ultimate Claims Administration (ULAE):	2,422,000	2,408,000	(14,000)
(C) Total Claim Costs:	$18,242,000	$17,407,000	($835,000)
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	842,000	816,000	($26,000)
(F) Total Recommended Funding:	$19,084,000	$18,223,000	($861,000)
(G) Funding per $100 of Payroll:	$2.12	$1.99	($0.13)

State Judiciary

	Prior Report 2018-19 Retention = $2M	Current Report 2019-20 Retention = $2M	Change
(A) Ultimate Loss and ALAE:	$682,000	$681,000	($1,000)
(B) Ultimate Claims Administration (ULAE):	260,000	274,000	14,000
(C) Total Claim Costs:	$942,000	$955,000	$13,000
(D) Offset for Investment Income:	0	0	0
(E) Non Claim Expenses:	431,000	384,000	(47,000)
(F) Total Recommended Funding:	$1,373,000	$1,339,000	($34,000)
(G) Funding per $100 of Payroll:	$0.25	$0.23	($0.02)

Trial Courts and State Judiciary Combined
Outstanding Claim Liabilities for Loss and LAE

	Prior Report at June 30, 2018	Current Report at June 30, 2019	Change
(A) Case Reserves:	$34,734,000	$27,921,000	($6,813,000)
(B) IBNR Reserves:	40,978,000	45,050,000	4,072,000
(C) Claims Administration Reserves:	6,933,000	6,852,000	(81,000)
(D) Total Reserves:	$82,645,000	$79,823,000	($2,822,000)

Trial courts and state judiciary funding margin. The current funding margin for the program is reflected below:

Funding Margin

	Prior Report at June 30, 2018	Current Report at June 30, 2019	Change
(A) Outstanding Liability at the Discounted Expected Level:	$82,645,000	$79,823,000	($2,822,000)
(B) Estimated Assets At June 30:	60,268,000	61,699,000	1,431,000
(C) Deficit:	($22,377,000)	($18,124,000)	$4,253,000

Compared to the prior year, program assets have increased and liability levels have decreased, leading to a net reduction of liability levels by approximately $4.3 million. This is a positive sign for the state of the program as efforts to reduce the total liability are strengthened by this recent development.

Policy implications

The JBWCP has implemented a number of initiatives with the intent to increase the program's transparency, improve service levels, educate members on workers' compensation matters, and make meaningful impacts to the program's deficit. In the past year, JBWCP staff, at the direction of the JBWCP Advisory Committee, have implemented the following initiatives that have impacted policy direction for the program:

1. **Initiative:** Corrected the performance gap of the third party administrator, AIMS, by implementing quarterly spot checks. Following the spot checks, AIMS has shown improved performance over the last year and received an overall score of 90 percent across all audit categories for the calendar year 2018. The minimum passing score is 85 percent.

    Committee action: Raised the minimum passing score to 90 percent for the calendar year 2019, and approved the continuation of spot checks on a trimester schedule.

2. **Initiative:** Reviewed the results of a pilot return-to-work program. The program was implemented across three courts and generated a net savings of $215,926 to the workers' compensation fund.

   Committee action: Approved a statewide rollout in which program staff would share materials and aids to all members for use as guidelines only. The rollout will be accompanied by a webinar training, which will include a discussion of best practices to return an injured employee back to work.

3. **Initiative:** Developed a process that would encourage courts to partner with other members and serve as a resource for workers' compensation inquiries. Twenty-three courts volunteered to help each other understand complex workers' compensation issues by serving as a buddy court to courts with fewer in-house resources.

   Committee action: Approved the communication rollout, with the assurance that participating staff would not be greatly impacted by these responsibilities.

For FY 2019–20, the JBWCP Advisory Committee will begin work on the following new initiatives:

1. **Initiative:** Review the current settlement authority process with an emphasis on improving processing times at the court, JBWCP staff, and third party administrator levels.

   Committee action: Reconvene members of the Settlement Authority Working Group to improve key timelines and report back to the committee at its 2020 meeting.

2. **Initiative:** Address the program's deficit of approximately $18.1 million and review options to increase member premiums, raise funding confidence levels, and reduce liability.

   Committee action: Reconvene members of the Deficit Reduction Working Group to develop options and evaluate the feasibility of each recommendation.

3. **Initiative:** Begin the solicitation of the program's risk consultant, broker, and actuary in July 2019.

   Committee action: Develop a vendor selection panel comprised of committee and program members to select a program consultant for FY 2020–21.

Comments

External comments. On February 22, 2019, the committee convened a public meeting to discuss the initiatives. The committee did not receive any comments from the public.

Internal comments.

Trial Court Presiding Judges Advisory Committee & Court Executives Advisory Committee comments. Program staff presented this report to the Executive Committees of the Trial Court Presiding Judges Advisory Committee and the Court Executives Advisory Committee and did not receive any comments or questions.

Appellate Court Clerk/Executive Officer comments. Program staff presented this report to the Clerk/Executive Officers of the Supreme Court and Courts of Appeal and did not receive any comments or questions.

Alternatives considered

Any changes to the current methodology require committee approval. In FY 2018–19, the committee approved a revision to the workers' compensation premium methodology to reduce volatility in claims handling fees and to stabilize fees for brokerage and consulting. By keeping the methodology consistent next fiscal year, it allows premiums to stabilize and provides the program an opportunity to identify root causes of outliers independent of formulary changes.

Fiscal and Operational Impacts

Program financials remain positive across all measures. The JBWCP has benefited from decreasing liability, improved loss experience, and premium reductions due, in part, to several policy measures enacted over the past two to three years. As a result, 75 percent of all trial court members will be receiving premium reductions for FY 2019–20, allowing them to allocate additional discretionary funding to support critical court operations.

Attachments and Links

1. Attachment A: Member Premium Allocation for Fiscal Year 2019-2020
2. Attachment B: JBWCP Premium Comparison
3. Attachment C: 2019 Annual Agenda

Actuarial Review of the Self-Insured Judicial Branch Workers' Compensation Program

Member Premium Allocation for Fiscal Year 2019-20

Presented to
Judicial Council of California

February 12, 2019

Bickmore

Tuesday, February 12, 2019

Mr. Patrick Farrales
Supervising Analyst
Human Resources / Administrative Division
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: Member Premium Allocation for Fiscal Year 2019-20

Dear Mr. Farrales:

We have completed our review of the Judicial Council of California (the Judicial Council), Judicial Branch Workers' Compensation Program (JBWCP), and have updated the member cost allocation for fiscal year 2019-20 program premiums. The premiums include a provision for:

- Expected Ultimate loss and ALAE
- Third-Party Claims Administration Fees
- Excess Insurance
- Consulting and Brokerage Expenses

The JBWCP is a self-funded program in which each entity pays a share of cost based on each member's workers' compensation claims experience and historical payroll. The total cost for this program is broken up into three groups: 1) Trial Court employees and volunteers, which includes the membership of 57 out of the 58 California Trial Courts, 2) Judicial, which includes member coverage for the Appellate Justices, Trial Court Judges, and Retired Judges in the Assigned Judges Program, and 3) State Judiciary, which includes the membership of the Supreme Court (including California Judicial Center Library), Courts of Appeal, Habeas Corpus Resource Center, Commission on Judicial Performance, and the Judicial Council and provides coverage for all of their employees and volunteers.

Given the low volume of loss experience and exposure, and in order to provide a credible actuarial estimate, the Judicial and the State Judiciary groups are valued together for purposes of determining total program cost. Thus for the purpose of the analysis, the three groups are consolidated to two groups, Trial Courts and the State Judiciary.

JBWCP Methodology

The methodology used by the JBWCP utilizes a calculation derived from experience and exposure, along with program costs, such as excess insurance, third party administrator (TPA) claim handling, and brokerage fees. Given the relative sizes of the courts and judiciary entities participating in the JBWCP, the JBWCP's methodology has features which make it appropriate for entities of all sizes.

Each year JBWCP retains an actuary to undertake an actuarial analysis and estimate of loss costs. The actuarial projections are based on loss data from the inception of the JBWCP program (1/1/2001), provided by the Judicial Council and the third party claims administrators. Additionally, historical and projected payroll is provided. The actuary determines the estimated outstanding liabilities since program inception and the forecasted program costs for the upcoming policy term. They also provide an estimate of the loss payments that will be made during the upcoming fiscal year. It is the amount of loss payments expected to be made that is allocated among the participating courts.

For purposes of calculating the allocation, the actuarial data is combined with cost data, consisting of excess insurance premiums, TPA fees, and brokerage and consulting costs. The allocation formula uses a combination of a 3-year loss distribution and a 3-year payroll distribution for calculating the annual charge to each member using a weighting formula. For determining 2019-20 premiums, the experience period used includes the 2015-16, 2016-17, and 2017-18 program years.

The weighting formula was developed with the following goals in mind:
- To establish adequate funding to cover the annual expected loss payments, excess premiums, and expenses associated with the JBWCP.
- To provide incentives to control workers' compensation losses by making the allocation responsive to recent loss experience.
- To minimize year-to-year volatility for budgetary planning purposes.
- To recognize that thresholds of acceptable volatility will vary according to the size of the court.

The weight given to the loss component of the allocation for each individual court is calculated using the following formula:

$$\sqrt[3]{\frac{Individual\ Court\ Payroll\ for\ 3-Yr\ Period\ (\$000's)}{606{,}963}}$$

where 606,963 is a constant derived to set the weight given to the largest court at 80%.

Inputs:

310,765	=	Largest Court Payroll for 3-Yr Period ($000's)
80%	=	Weight Given to Loss Component for Largest Court
3	=	Exponent

For purposes of determining loss distribution, a cap of $75,000 per occurrence is applied. This eliminates the volatility of large loss impact on distribution to individual courts. Ninety-five percent of all claims are within $75,000 per occurrence.

The largest court by 3-year payroll size has a weighting of 80% of loss experience and 20% payroll. The smallest court by payroll size has a weighting of at least 10% loss experience. All other courts are weighted by payroll and loss experience along that continuum. This ensures that the larger courts with more predictable losses are subject to an allocation that emphasizes losses, while the smaller courts' allocations are more reliant upon payroll to ensure more year-to-year budget stability.

Here is a graphic illustration of the continuum:
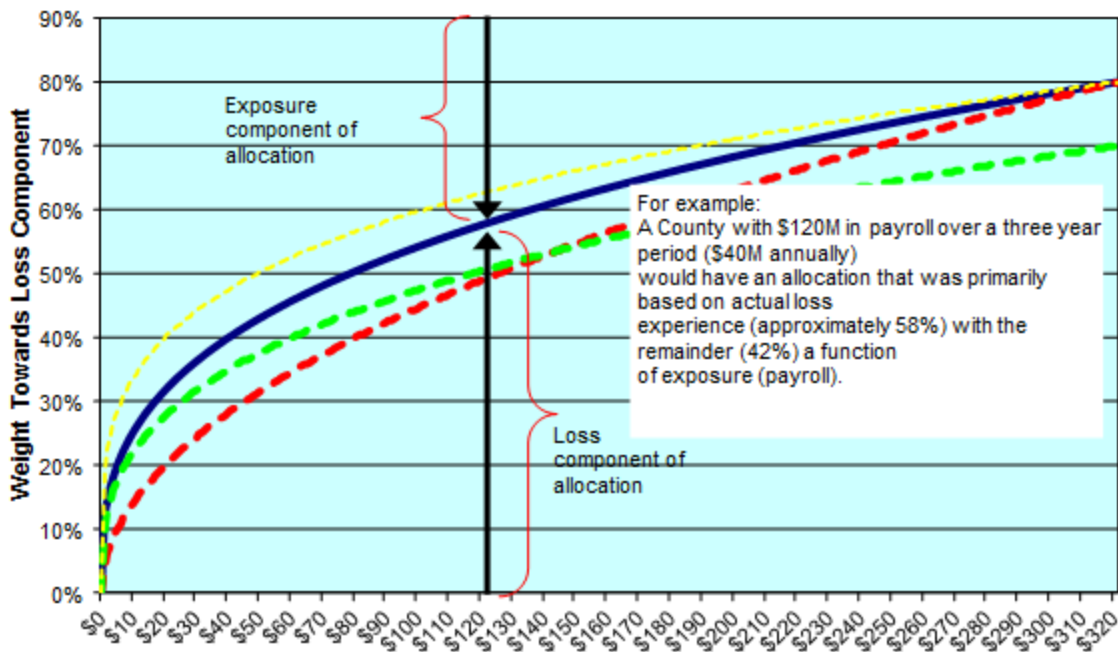
The selected parameters of 80% weight and power of 3 are shown as the solid line above. Other parameters are shown as dashed lines for comparison.

The claims handling fees are allocated based upon the distribution of Loss and ALAE premium by member. Brokerage fees and Excess insurance costs are allocated based upon the distribution of payroll by member.

We appreciate the opportunity to be of service the Judicial Council of California in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Becky Richard at (916) 244-1183 with any questions you may have concerning this report.

Sincerely,

Bickmore

Mike Harrington, FCAS, MAAA
President, Actuarial Consulting, Bickmore
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

Becky Richard, ACAS, MAAA
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Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

2019-20 Premium

Court	2015-16 to 2017-18 Payroll ($000) (A)	Percent Payroll (B)	2019-20 Indicated Loss & ALAE Premium Based on Payroll (C)	2015-16 to 2017-18 Incurred Limited to $75K (D)	Percent Limited Losses (E)	2019-20 Indicated Loss & ALAE Premium Based on Losses (F)	Weighting (G)	2019-20 Weighted Loss & ALAE Premium (H)	2019-20 Weighted Adjusted Loss & ALAE Premium (I)	2019-20 Excess Premium (J)	2019-20 Claims Handling (TPA) Fees (K)	2019-20 Program Admin. Premium (L)	2019-20 Brokerage / Consulting Premium (M)	2019-20 Total Premium (N)	2019-20 Percent of Premium (O)
Alameda	$149,323	5.77%	$865,739	$951,200	4.86%	$728,857	62.66%	$779,969	$779,862	$25,743	$125,202	$0	$21,356	$952,164	5.23%
Alpine	892	0.03%	5,174	0	0.00%	0	11.37%	4,586	4,585	154	736	0	128	$5,603	0.03%
Amador	4,783	0.18%	27,729	77,728	0.40%	59,559	19.90%	34,063	34,059	825	5,468	0	684	$41,035	0.23%
Butte	18,982	0.73%	110,052	274,295	1.40%	210,179	31.51%	141,598	141,578	3,272	22,730	0	2,715	$170,295	0.93%
Calaveras	4,366	0.17%	25,313	279	0.00%	214	19.30%	20,468	20,465	753	3,286	0	624	$25,128	0.14%
Colusa	2,235	0.09%	12,959	0	0.00%	0	15.44%	10,957	10,956	385	1,759	0	320	$13,420	0.07%
Contra Costa	74,422	2.88%	431,479	531,206	2.71%	407,037	49.68%	419,336	419,279	12,830	67,313	0	10,644	$510,065	2.80%
Del Norte	4,469	0.17%	25,910	80,300	0.41%	61,530	19.45%	32,840	32,835	770	5,271	0	639	$39,516	0.22%
El Dorado	14,029	0.54%	81,338	118,918	0.61%	91,121	28.49%	84,125	84,113	2,419	13,504	0	2,006	$102,042	0.56%
Fresno	82,723	3.20%	479,608	294,092	1.50%	225,348	51.46%	348,761	348,713	14,261	55,984	0	11,831	$430,789	2.36%
Glenn	3,585	0.14%	20,784	26	0.00%	20	18.08%	17,030	17,028	618	2,734	0	513	$20,892	0.11%
Humboldt	12,263	0.47%	71,097	411,313	2.10%	315,169	27.24%	137,572	137,554	2,114	22,083	0	1,754	$163,505	0.90%
Imperial	20,031	0.77%	116,133	234,353	1.20%	179,573	32.08%	136,481	136,463	3,453	21,908	0	2,865	$164,689	0.90%
Inyo	2,895	0.11%	16,787	0	0.00%	0	16.83%	13,961	13,959	499	2,241	0	414	$17,113	0.09%
Kern	86,762	3.35%	503,027	610,703	3.12%	467,951	52.29%	484,687	484,621	14,958	77,803	0	12,409	$589,790	3.24%
Kings	12,712	0.49%	73,703	290,384	1.48%	222,507	27.56%	114,721	114,705	2,192	18,415	0	1,818	$137,130	0.75%
Lake	5,397	0.21%	31,293	17	0.00%	13	20.72%	24,812	24,809	930	3,983	0	772	$30,494	0.17%
Lassen	3,691	0.14%	21,398	895	0.00%	686	18.25%	17,618	17,615	636	2,828	0	528	$21,607	0.12%
Madera	15,071	0.58%	87,380	229,125	1.17%	175,567	29.17%	113,108	113,092	2,598	18,156	0	2,156	$136,002	0.75%
Marin	23,659	0.91%	137,168	62,908	0.32%	48,203	33.91%	107,004	106,989	4,079	17,176	0	3,384	$131,628	0.72%
Mariposa	2,056	0.08%	11,920	0	0.00%	0	15.02%	10,130	10,129	354	1,626	0	294	$12,403	0.07%
Mendocino	9,791	0.38%	56,768	116,322	0.59%	89,132	25.27%	64,946	64,937	1,688	10,425	0	1,400	$78,451	0.43%
Merced	18,636	0.72%	108,048	30,367	0.16%	23,269	31.31%	81,500	81,489	3,213	13,083	0	2,665	$100,450	0.55%
Modoc	1,576	0.06%	9,138	872	0.00%	668	13.74%	7,974	7,973	272	1,280	0	225	$9,750	0.05%
Mono	2,381	0.09%	13,802	78,293	0.40%	59,992	15.77%	21,086	21,083	410	3,385	0	340	$25,219	0.14%
Monterey	36,046	1.39%	208,987	144,029	0.74%	110,362	39.02%	170,508	170,485	6,214	27,370	0	5,155	$209,225	1.15%
Napa	15,368	0.59%	89,098	45,152	0.23%	34,597	29.36%	73,095	73,085	2,649	11,733	0	2,198	$89,665	0.49%
Nevada	10,413	0.40%	60,370	26,137	0.13%	20,028	25.79%	49,965	49,959	1,795	8,021	0	1,489	$61,263	0.34%
Orange	310,765	12.01%	1,801,744	2,060,499	10.53%	1,578,858	80.00%	1,623,435	1,623,213	53,575	260,597	0	44,446	$1,981,831	10.88%
Placer	25,003	0.97%	144,963	68,073	0.35%	52,161	34.54%	112,913	112,897	4,311	18,125	0	3,576	$138,909	0.76%
Plumas	1,946	0.08%	11,284	0	0.00%	0	14.75%	9,620	9,619	336	1,544	0	278	$11,777	0.06%
Riverside	224,124	8.66%	1,299,419	1,328,480	6.79%	1,017,948	71.74%	1,097,486	1,097,335	38,639	176,171	0	32,054	$1,344,199	7.38%
Sacramento	144,128	5.57%	835,619	264,428	1.35%	202,618	61.92%	443,637	443,576	24,847	71,214	0	20,613	$560,250	3.07%
San Benito	4,541	0.18%	26,328	207	0.00%	158	19.56%	21,209	21,207	783	3,405	0	649	$26,043	0.14%
San Bernardino	188,926	7.30%	1,095,348	832,157	4.25%	637,641	67.77%	785,156	785,048	32,571	126,035	0	27,020	$970,674	5.33%
San Diego	252,926	9.78%	1,466,403	3,222,508	16.46%	2,469,249	74.69%	2,215,453	2,215,149	43,604	355,629	0	36,174	$2,650,556	14.55%
San Francisco	119,786	4.63%	694,490	873,543	4.46%	669,353	58.22%	679,855	679,762	20,651	109,132	0	17,132	$826,676	4.54%
San Joaquin	58,186	2.25%	337,347	523,514	2.67%	401,143	45.77%	366,544	366,494	10,031	58,838	0	8,322	$443,685	2.43%
San Luis Obispo	27,057	1.05%	156,869	80,115	0.41%	61,388	35.46%	123,014	122,997	4,665	19,746	0	3,870	$151,278	0.83%
San Mateo	64,044	2.48%	371,313	449,215	2.29%	344,211	47.25%	358,506	358,457	11,041	57,548	0	9,160	$436,206	2.39%
Santa Barbara	42,213	1.63%	244,743	493,682	2.52%	378,284	41.12%	299,661	299,620	7,278	48,102	0	6,037	$361,037	1.98%
Santa Clara	146,002	5.64%	846,483	2,137,821	10.92%	1,638,106	62.19%	1,338,806	1,338,622	25,170	214,908	0	20,881	$1,599,582	8.78%
Santa Cruz	24,621	0.95%	142,746	10,536	0.05%	8,073	34.36%	96,473	96,460	4,245	15,486	0	3,521	$119,711	0.66%
Shasta	29,259	1.13%	169,636	362,633	1.85%	277,868	36.39%	209,026	208,997	5,044	33,553	0	4,185	$251,779	1.38%

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

2019-20 Premium

Court	2015-16 to 2017-18 Payroll ($000) (A)	Percent Payroll (B)	2019-20 Indicated Loss & ALAE Premium Based on Payroll (C)	2015-16 to 2017-18 Incurred Limited to $75K (D)	Percent Limited Losses (E)	2019-20 Indicated Loss & ALAE Premium Based on Losses (F)	Weighting (G)	2019-20 Weighted Loss & ALAE Premium (H)	2019-20 Weighted Adjusted Loss & ALAE Premium (I)	2019-20 Excess Premium (J)	2019-20 Claims Handling (TPA) Fees (K)	2019-20 Program Admin. Premium (L)	2019-20 Brokerage / Consulting Premium (M)	2019-20 Total Premium (N)	2019-20 Percent of Premium (O)
Sierra	1,025	0.04%	5,940	0	0.00%	0	11.91%	5,233	5,232	177	840	0	147	$6,395	0.04%
Siskiyou	5,628	0.22%	32,632	36,618	0.19%	28,059	21.01%	31,671	31,667	970	5,084	0	805	$38,526	0.21%
Solano	39,400	1.52%	228,433	757,657	3.87%	580,555	40.19%	369,949	369,898	6,793	59,385	0	5,635	$441,711	2.42%
Sonoma	39,120	1.51%	226,810	236,527	1.21%	181,239	40.09%	208,538	208,510	6,744	33,475	0	5,595	$254,324	1.40%
Stanislaus	38,783	1.50%	224,852	88,423	0.45%	67,754	39.98%	162,047	162,025	6,686	26,012	0	5,547	$200,270	1.10%
Sutter	9,238	0.36%	53,561	56,487	0.29%	43,283	24.78%	51,014	51,007	1,593	8,189	0	1,321	$62,110	0.34%
Tehama	6,984	0.27%	40,491	2,886	0.01%	2,212	22.58%	31,849	31,845	1,204	5,112	0	999	$39,160	0.21%
Trinity	2,712	0.10%	15,724	0	0.00%	0	16.47%	13,135	13,133	468	2,108	0	388	$16,097	0.09%
Tulare	38,211	1.48%	221,536	391,079	2.00%	299,665	39.78%	252,616	252,581	6,587	40,550	0	5,465	$305,184	1.67%
Tuolumne	5,786	0.22%	33,548	39,675	0.20%	30,401	21.20%	32,880	32,876	998	5,278	0	828	$39,979	0.22%
Ventura	72,276	2.79%	419,038	489,451	2.50%	375,042	49.20%	397,393	397,339	12,460	63,790	0	10,337	$483,927	2.66%
Yolo	16,990	0.66%	98,502	89,429	0.46%	68,525	30.36%	89,400	89,388	2,929	14,351	0	2,430	$109,097	0.60%
Yuba	8,796	0.34%	50,996	69,981	0.36%	53,623	24.38%	51,636	51,629	1,516	8,289	0	1,258	$62,692	0.34%
All Courts	$2,587,031	100.00%	$14,999,000	$19,574,536	100.00%	$14,999,000		$15,001,059	$14,999,000	$446,000	$2,408,000	$0	$370,000	$18,223,000	100.00%

Notes:
(A): From Exhibit TC-2.
(B): (A)/[Total (A)]
(C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
(D): From Exhibit TC-3.
(E): (D)/[Total (D)]
(F): (E) x [Total (F)].
(G): Based on relative size (according the (A)) of each court. The largest is subjectively set to an 80.00% weight. The weight of all other courts are based on that standard.
(H): (G) x (F) + [1-(G)] x (C)
(I): [Total (F) / Total (H)] x (H)
(J): (B) x [Total (J)]. Total (J) was provided by Judicial Branch Workers' Compensation Program.
(K): [(I) / Total (I)] x Total (K). Total (K) was provided by Judicial Branch Workers' Compensation Program.
(L): (B) x [Total (L)]. Total (L) was provided by Judicial Branch Workers' Compensation Program.
(M): (B) x [Total (M)]. Total (M) was provided by Judicial Branch Workers' Compensation Program.
(N): Sum[(I)..(M)]
(O): (N) x [Total (N)].

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Summary of Payroll

Court	Payroll		
	2015-16	2016-17	2017-18
Alameda	$51,245,619	$49,310,192	$48,767,088
Alpine	285,257	295,296	311,859
Amador	1,534,912	1,608,113	1,639,764
Butte	6,228,346	6,325,398	6,428,064
Calaveras	1,482,859	1,449,194	1,434,016
Colusa	732,834	737,363	764,891
Contra Costa	24,804,870	24,827,716	24,788,954
Del Norte	1,506,353	1,529,303	1,433,307
El Dorado	4,612,376	4,725,069	4,691,692
Fresno	27,054,074	28,164,713	27,504,206
Glenn	1,311,008	1,156,405	1,117,341
Humboldt	3,930,548	4,152,745	4,179,550
Imperial	6,776,881	6,806,798	6,446,892
Inyo	919,428	985,924	989,990
Kern	27,062,031	29,573,567	30,126,594
Kings	4,146,164	4,188,347	4,377,861
Lake	1,791,041	1,798,429	1,807,895
Lassen	1,206,873	1,233,697	1,250,186
Madera	4,834,170	5,044,600	5,192,583
Marin	7,544,203	8,212,662	7,901,955
Mariposa	679,852	684,180	691,997
Mendocino	3,111,398	3,284,324	3,395,718
Merced	5,949,523	6,371,735	6,314,823
Modoc	509,694	537,354	529,057
Mono	750,490	762,766	867,274
Monterey	11,278,687	12,236,418	12,530,957
Napa	4,987,731	5,084,055	5,295,902
Nevada	3,608,557	3,416,057	3,388,016
Orange	103,165,722	104,334,906	103,264,589
Placer	8,030,431	8,164,073	8,808,805
Plumas	632,850	654,168	659,331
Riverside	74,362,204	74,686,540	75,075,388
Sacramento	47,301,366	48,389,568	48,436,897
San Benito	1,590,786	1,497,440	1,452,787
San Bernardino	59,633,246	62,798,802	66,493,936
San Diego	84,335,535	85,912,175	82,677,865
San Francisco	40,412,514	40,714,593	38,658,753
San Joaquin	18,851,546	19,546,776	19,787,421
San Luis Obispo	8,816,343	9,170,351	9,070,135
San Mateo	20,255,613	21,683,009	22,105,506
Santa Barbara	13,649,086	14,516,565	14,047,699
Santa Clara	46,883,537	48,555,701	50,562,354
Santa Cruz	8,196,207	8,268,761	8,155,842
Shasta	9,179,380	9,780,398	10,299,080
Sierra	263,656	331,546	429,322
Siskiyou	2,017,899	1,940,672	1,669,735

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Summary of Payroll

Court	Payroll		
	2015-16	2016-17	2017-18
Solano	12,896,516	12,920,623	13,583,088
Sonoma	12,829,282	13,007,129	13,283,800
Stanislaus	12,681,724	13,056,422	13,044,382
Sutter	3,091,111	3,061,714	3,085,419
Tehama	2,240,284	2,290,138	2,453,499
Trinity	924,540	906,649	880,974
Tulare	12,249,528	12,498,618	13,462,391
Tuolumne	1,906,230	1,919,418	1,960,641
Ventura	22,950,540	23,858,039	25,467,281
Yolo	5,448,847	5,770,856	5,769,951
Yuba	2,805,505	2,837,553	3,152,661
All Courts	$847,487,805	$867,575,621	$871,967,969

Notes:
Provided by Judicial Branch Workers' Compensation Program.

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at $75K		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Alameda	$552,135	$409,903	$90,109	$485,838	$375,252	$90,109
Alpine	0	0	0	0	0	0
Amador	147,994	527	2,201	75,000	527	2,201
Butte	137,033	300	136,963	137,033	300	136,963
Calaveras	279	0	0	279	0	0
Colusa	0	0	0	0	0	0
Contra Costa	231,599	314,343	172,119	178,382	180,705	172,119
Del Norte	80,300	0	0	80,300	0	0
El Dorado	0	111,150	7,768	0	111,150	7,768
Fresno	131,848	132,664	46,202	131,848	116,042	46,202
Glenn	0	26	0	0	26	0
Humboldt	495,674	56,273	0	355,040	56,273	0
Imperial	175,443	6,476	134,375	93,502	6,476	134,375
Inyo	0	0	0	0	0	0
Kern	195,638	274,651	256,188	184,362	262,018	164,322
Kings	301,842	190,770	41,305	170,072	79,007	41,305
Lake	0	17	0	0	17	0
Lassen	0	895	0	0	895	0
Madera	341,272	26,962	1,777	200,387	26,962	1,777
Marin	0	1,368	61,540	0	1,368	61,540
Mariposa	0	0	0	0	0	0
Mendocino	8,213	97,250	28,140	8,213	79,969	28,140
Merced	14,690	0	15,677	14,690	0	15,677
Modoc	872	0	0	872	0	0
Mono	0	80,478	377	0	77,917	377
Monterey	26,607	13,386	104,036	26,607	13,386	104,036
Napa	41,349	3,226	576	41,349	3,226	576
Nevada	1,434	24,514	189	1,434	24,514	189
Orange	773,407	1,226,523	674,490	630,115	800,160	630,223
Placer	7,179	8,233	52,661	7,179	8,233	52,661
Plumas	0	0	0	0	0	0
Riverside	546,093	573,310	382,285	445,602	500,593	382,285
Sacramento	238,890	77,260	43,266	143,902	77,260	43,266
San Benito	207	0	0	207	0	0
San Bernardino	360,069	125,383	382,237	338,546	125,383	368,227
San Diego	1,696,003	1,970,054	636,213	1,119,909	1,472,144	630,455
San Francisco	547,983	251,201	320,964	301,378	251,201	320,964
San Joaquin	90,457	417,974	111,682	90,457	321,375	111,682
San Luis Obispo	59,952	5,076	15,088	59,952	5,076	15,088
San Mateo	264,779	111,278	139,176	198,761	111,278	139,176
Santa Barbara	180,019	209,083	165,162	180,019	208,837	104,826
Santa Clara	1,024,975	978,845	549,598	895,964	743,158	498,698
Santa Cruz	5,725	4,629	181	5,725	4,629	181
Shasta	425,606	35,461	97,130	230,042	35,461	97,130
Sierra	0	0	0	0	0	0
Siskiyou	0	0	36,618	0	0	36,618

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at $75K		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Solano	363,322	337,896	187,260	292,957	280,776	183,924
Sonoma	4,465	116,114	120,370	4,465	111,692	120,370
Stanislaus	8,574	68,527	11,322	8,574	68,527	11,322
Sutter	1,406	55,081	0	1,406	55,081	0
Tehama	0	2,886	0	0	2,886	0
Trinity	0	0	0	0	0	0
Tulare	427,285	56,733	40,253	294,094	56,733	40,253
Tuolumne	0	0	39,675	0	0	39,675
Ventura	315,586	121,913	152,148	215,390	121,913	152,148
Yolo	51,180	2,280	35,968	51,180	2,280	35,968
Yuba	45,801	22,237	1,943	45,801	22,237	1,943
All Courts	10,323,182	8,523,155	5,295,232	7,746,834	6,802,942	5,024,760

Notes:
Provided by Judicial Branch Workers' Compensation Program.

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Comparison to Prior Premium

Court	2018-19 Total Premium (A)	2019-20 Total Premium (B)	Difference (C)	Percent Change (D)
Alameda	$1,002,362	$952,164	-$50,198	-5.01%
Alpine	5,697	5,603	-94	-1.65%
Amador	48,834	41,035	-7,798	-15.97%
Butte	165,736	170,295	4,560	2.75%
Calaveras	27,655	25,128	-2,526	-9.14%
Colusa	14,461	13,420	-1,041	-7.20%
Contra Costa	609,049	510,065	-98,984	-16.25%
Del Norte	41,078	39,516	-1,562	-3.80%
El Dorado	105,374	102,042	-3,332	-3.16%
Fresno	632,238	430,789	-201,449	-31.86%
Glenn	23,588	20,892	-2,695	-11.43%
Humboldt	212,064	163,505	-48,559	-22.90%
Imperial	145,422	164,689	19,267	13.25%
Inyo	17,845	17,113	-732	-4.10%
Kern	515,967	589,790	73,823	14.31%
Kings	175,924	137,130	-38,794	-22.05%
Lake	33,274	30,494	-2,779	-8.35%
Lassen	23,082	21,607	-1,474	-6.39%
Madera	148,533	136,002	-12,531	-8.44%
Marin	122,594	131,628	9,034	7.37%
Mariposa	22,862	12,403	-10,458	-45.75%
Mendocino	71,911	78,451	6,540	9.09%
Merced	102,577	100,450	-2,127	-2.07%
Modoc	10,299	9,750	-550	-5.34%
Mono	26,256	25,219	-1,038	-3.95%
Monterey	222,285	209,225	-13,060	-5.88%
Napa	93,575	89,665	-3,910	-4.18%
Nevada	62,753	61,263	-1,489	-2.37%
Orange	1,749,054	1,981,831	232,777	13.31%
Placer	176,772	138,909	-37,863	-21.42%
Plumas	12,744	11,777	-967	-7.59%
Riverside	1,114,471	1,344,199	229,728	20.61%
Sacramento	672,649	560,250	-112,398	-16.71%
San Benito	29,138	26,043	-3,094	-10.62%
San Bernardino	1,113,836	970,674	-143,162	-12.85%
San Diego	3,004,050	2,650,556	-353,494	-11.77%
San Francisco	845,994	826,676	-19,318	-2.28%
San Joaquin	476,175	443,685	-32,490	-6.82%
San Luis Obispo	174,322	151,278	-23,044	-13.22%
San Mateo	478,045	436,206	-41,839	-8.75%
Santa Barbara	318,802	361,037	42,235	13.25%
Santa Clara	1,749,860	1,599,582	-150,278	-8.59%
Santa Cruz	129,451	119,711	-9,739	-7.52%
Shasta	242,384	251,779	9,395	3.88%
Sierra	5,762	6,395	633	10.98%
Siskiyou	37,073	38,526	1,453	3.92%

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
Trial Courts

Comparison to Prior Premium

Court	2018-19 Total Premium (A)	2019-20 Total Premium (B)	Difference (C)	Percent Change (D)
Solano	444,998	441,711	-3,287	-0.74%
Sonoma	221,531	254,324	32,793	14.80%
Stanislaus	210,377	200,270	-10,107	-4.80%
Sutter	84,829	62,110	-22,719	-26.78%
Tehama	40,361	39,160	-1,201	-2.97%
Trinity	16,974	16,097	-878	-5.17%
Tulare	340,112	305,184	-34,928	-10.27%
Tuolumne	36,002	39,979	3,977	11.05%
Ventura	508,243	483,927	-24,317	-4.78%
Yolo	102,033	109,097	7,065	6.92%
Yuba	64,666	62,692	-1,974	-3.05%
All Courts	$19,084,000	$18,223,000	-$861,000	-4.51%

Notes:
(A): From Prior Premium Report.
(B): From Exhibit TC-1.
(C): (B) - (A)
(D): (C) / (A)

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
State Judiciary

2019-20 Premium

Court	2015-16 to 2017-18 Payroll ($000) (A)	Percent Payroll (B)	2019-20 Indicated Loss & ALAE Premium Based on Payroll (C)	2015-16 to 2017-18 Incurred Limited to $75K (D)	Percent Limited Losses (E)	2019-20 Indicated Loss & ALAE Premium Based on Losses (F)	Weighting (G)	2019-20 Weighted Loss & ALAE Premium (H)	2019-20 Weighted Adjusted Loss & ALAE Premium (I)	2019-20 Excess Premium (J)	2019-20 Claims Handling (TPA) Fees (K)	2019-20 Program Admin. Premium (L)	2019-20 Brokerage / Consulting Premium (M)	2019-20 Total Premium (N)	2019-20 Percent of Premium (O)
Supreme Court	$52,878	3.52%	$24,002	$1,224	0.17%	$1,146	30.72%	$16,980	$19,688	$5,992	$7,921	$0	$7,543	$41,143	3.07%
1st District Court	44,171	2.94%	20,050	5,067	0.70%	4,741	28.93%	15,621	18,111	5,005	7,287	0	6,301	36,704	2.74%
2nd District Court	87,916	5.86%	39,907	25,395	3.49%	23,766	36.40%	34,032	39,458	9,962	15,876	0	12,540	77,837	5.81%
3rd District Court	31,039	2.07%	14,089	328	0.05%	307	25.72%	10,544	12,225	3,517	4,919	0	4,427	25,089	1.87%
4th District Court	70,689	4.71%	32,087	6,123	0.84%	5,730	33.84%	23,167	26,861	8,010	10,807	0	10,083	55,761	4.16%
5th District Court	26,370	1.76%	11,970	1,337	0.18%	1,251	24.36%	9,358	10,850	2,988	4,366	0	3,761	21,966	1.64%
6th District Court	19,976	1.33%	9,067	0	0.00%	0	22.21%	7,054	8,178	2,264	3,291	0	2,849	16,582	1.24%
Judicial Council	206,020	13.73%	93,516	633,264	87.02%	592,619	48.34%	334,792	388,172	23,345	156,181	0	29,387	597,084	44.59%
CJP	7,238	0.48%	3,286	0	0.00%	0	15.83%	2,765	3,206	820	1,290	0	1,033	6,349	0.47%
HCRC	20,274	1.35%	9,203	51	0.01%	48	22.32%	7,159	8,301	2,297	3,340	0	2,892	16,830	1.26%
Trial Court Judges	933,696	62.24%	423,823	54,918	7.55%	51,394	80.00%	125,879	145,950	105,800	58,723	0	133,184	443,656	33.13%
All Courts	$1,500,267	100.00%	$681,000	$727,706	100.00%	$681,000		$587,353	$681,000	$170,000	$274,000	$0	$214,000	$1,339,000	100.00%

Notes:

(A): From Exhibit J-2.
(B): (A)/[Total (A)]
(C): (B) x [Total (C)]. Total (C) was provided by Judicial Branch Workers' Compensation Program.
(D): From Exhibit J-3.
(E): (D)/[Total (D)]
(F): (E) x [Total (F)].
(G): Based on relative size (according the (A)) of each court. The largest is subjectively set to an 80.00% weight. The weight of all other courts are based on that standard.
(H): (G) x (F) + [1-(G)] x (C)
(I): [Total (F) / Total (H)] x (H)
(J): (B) x [Total (J)]. Total (J) was provided by Judicial Branch Workers' Compensation Program.
(K): [(I) / Total (I)] x Total (K). Total (K) was provided by Judicial Branch Workers' Compensation Program.
(L): (B) x [Total (L)]. Total (L) was provided by Judicial Branch Workers' Compensation Program.
(M): (B) x [Total (M)]. Total (M) was provided by Judicial Branch Workers' Compensation Program.
(N): Sum[(I)..(M)]
(O): (N) x [Total (N)].

* Supreme Court includes the California Judicial Center Library

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
State Judiciary

Summary of Payroll

	Payroll		
Court	2015-16	2016-17	2017-18
Supreme Court	$16,908,239	$17,558,908	$18,410,646
1st District Court	14,152,370	14,702,252	15,316,570
2nd District Court	28,462,891	29,034,914	30,418,269
3rd District Court	9,801,921	10,415,011	10,822,301
4th District Court	22,653,677	23,474,686	24,560,574
5th District Court	8,429,258	8,833,214	9,107,436
6th District Court	6,491,330	6,751,226	6,733,060
Judicial Council	66,032,259	67,205,124	72,782,506
CJP	2,107,899	2,447,511	2,683,044
HCRC	6,195,564	6,605,907	7,472,052
Trial Court Judges	303,607,527	308,693,047	321,395,608
All Courts	$484,842,935	$495,721,800	$519,702,066

Notes:
   Provided by Judicial Branch Workers' Compensation Program.

* Supreme Court includes the California Judicial Center Library

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
State Judiciary

Summary of Loss Data

Court	Incurred Losses			Incurred Losses Capped at $75K		
	2015-16	2016-17	2017-18	2015-16	2016-17	2017-18
Supreme Court	$1,224	$0	$0	$1,224	$0	$0
1st District Court	390	747	3,930	390	747	3,930
2nd District Court	0	0	25,395	0	0	25,395
3rd District Court	0	0	328	0	0	328
4th District Court	2,662	3,461	0	2,662	3,461	0
5th District Court	0	0	1,337	0	0	1,337
6th District Court	0	0	0	0	0	0
Judicial Council	450,853	303,251	10,029	425,372	197,863	10,029
CJP	0	0	0	0	0	0
HCRC	0	0	51	0	0	51
Trial Court Judges	6,436	21,905	26,577	6,436	21,905	26,577
All Courts	461,565	329,364	67,646	436,084	223,976	67,646

Notes:
Provided by Judicial Branch Workers' Compensation Program.

* Supreme Court includes the California Judicial Center Library

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
State Judiciary

Comparison to Prior Premium

Court	2018-19 Total Premium (A)	2019-20 Total Premium (B)	Difference (C)	Percent Change (D)
Supreme Court	$82,988	$41,143	-$41,845	-50.42%
1st District Court	36,997	36,704	-293	-0.79%
2nd District Court	67,827	77,837	10,010	14.76%
3rd District Court	26,202	25,089	-1,114	-4.25%
4th District Court	75,483	55,761	-19,722	-26.13%
5th District Court	22,794	21,966	-828	-3.63%
6th District Court	17,669	16,582	-1,088	-6.16%
Judicial Council	544,556	597,084	52,528	9.65%
CJP	6,332	6,349	17	0.28%
HCRC	17,401	16,830	-571	-3.28%
Trial Court Judges	474,750	443,656	-31,094	-6.55%
All Courts	$1,373,000	$1,339,000	-$34,000	-2.48%

Notes:
(A):	From Prior Premium Report
(B):	From Exhibit J-1.
(C):	(B) - (A)
(D):	(C) / (A)

* Supreme Court includes the California Judicial Center Library

Exhibit 1

Judicial Branch Workers' Compensation Program
Workers' Compensation Fiscal Year 2019-20 Premium
State Judiciary

Trial Court and State Judiciary Claims Handling, Program Admin and Brokerage/Consulting Premium

Division	2015-16 to 2017-18 Payroll ($000) (A)	Percent Payroll (B)	2015-16 to 2017-18 Incurred Limited to $75K (C)	Percent Limited Losses (D)	2019-20 Claims Handling (E)	2019-20 Program Admin. (F)	2019-20 Brokerage / Consulting (G)
Trial Courts	$2,587,031	63.29%	$19,574,536	96.42%	$2,408,000	$0	$370,000
State Judiciary	1,500,267	36.71%	727,706	3.58%	274,000	0	214,000
Total	$4,087,298	100.00%	$20,302,242	100.00%	$2,682,000	$0	$584,000

Notes:

(A):	Provided by Judicial Branch Workers' Compensation Program.
(B):	(A)/[Total (A)]
(C):	Provided by Judicial Branch Workers' Compensation Program.
(D):	(C)/[Total (C)]
(E):	Total (E) x [80% x (D) + 20% x (B)]
(F):	(B) x [Total (F)]. Total (F) was provided by Judicial Branch Workers' Compensation Program.
(G):	(B) x [Total (G)]. Total (G) was provided by Judicial Branch Workers' Compensation Program.

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Bickmore

Actuarial Review of the Self-Insured Judicial Branch Workers' Compensation Program

2018-19 vs. 2019-20 Member Premium Calculation Comparison

Presented to
Judicial Council of California

February 25, 2019

Bickmore

Monday, February 25, 2019

Mr. Patrick Farrales
Supervising Analyst
Human Resources / Administrative Division
Judicial Council of California
455 Golden Gate Avenue
San Francisco, CA 94102-3688

Re: 2018-19 vs. 2019-20 Workers' Compensation Premium Calculation Comparison

Dear Mr. Farrales:

As requested, we have completed a comparison of 2018-19 vs. 2019-20 premium calculations for members of the Judicial Council of California (the Judicial Council), Judicial Branch Workers' Compensation Program (JBWCP).

For each member, there are four exhibits attached showing: a comparison of key components of premium calculation, including historical payrolls, historical losses, and listings of large losses used in the 2018-19 and 2019-20 calculations. Funding for losses, expenses, and excess insurance are allocated between members using various methods, which are set forth in this document.

On page "a" of each member exhibit, components of the premium calculation are compared side-by-side for 2018-19 and 2019-20. The relative ratio of each member's percentage of losses to their percentage of payrolls, shown in rows (2) and (5), respectively, of each page "a" has the biggest affect on premium calculation. The losses are capped at $75,000 per claim. 3-year limited losses and 3-year payrolls are shown in details on page "b". A list of claims with greater than $25,000 incurred losses for the 2018-19 calculation is shown on page "c" and claims with greater than $25,000 incurred losses for the 2019-20 calculation is shown on page "d".

The table below shows the annual premium comparison in detail for the County of Santa Clara. The numbers in parentheses are row number from the table below. In the case of Santa Clara, the 3-year (2015-16 to 2017-18) payrolls used in 2019-20 premium calculation were $146,002 (1). This amount is 5.64% (2) of total payrolls for all JBWCP members. The 3-year (2015-16 to 2017-18) limited losses used in 2019-20 premium calculation were $2,137,821 (4). This amount is 10.92% (5) of total limited losses for all JBWCP members.

The weighting (7) is the weight given to each member's own limited loss experience. This is calculated based on relative size (according the payroll). The largest member is given an 80.00% weight. Santa Clara's weight of 62.19% (7) is based on that standard.

Santa Clara's 2019-20 weighted premium of $1,338,806 (8) is calculated as the weighted average of the limited loss percentage (3) (using (7) as the weight) and the payroll percentage (3) (using 1.0 - (7) as the weight).

Every member's weighted premium is then adjusted by an off-balance factor of 1.000 in order to collect the total necessary premium for 2019-20. Santa Clara's resulting 2019-20 adjusted premium is $1,338,622 (9).

Santa Clara indicated loss funding, excess insurance costs, claims handling (TPA) fees, program administration fees, and brokerage & consulting expenses are $1,338,622 (9); $25,170 (10), $214,908 (11), $0 (12) and $20,881 (13), respectively for a total premium of $1,599,582 (14).

It should be noted that the 2018-19 column for rows (1) through (14) come directly from the prior actuarial report. The 2018-19 premiums in row (14) are those actually charged by the JBWCP.

		2018-19	2019-20	% Change
(1)	3-Year Payrolls (000)	$144,488	$146,002	1.0%
(2)	% 3-Year Payrolls (000)	5.74%	5.64%	-1.7%
(3)	Premium Based on Payroll	$907,969	$846,483	-6.8%
(4)	3-Year Limited Losses	$2,417,019	$2,137,821	-11.6%
(5)	% 3-Year Limited Losses	11.41%	10.92%	-4.3%
(6)	Premium Based on Limited Losses	$1,804,818	$1,638,106	-9.2%
(7)	Weighting	62.01%	62.19%	0.3%
(8)	Weighted Premium	$1,464,105	$1,338,806	-8.6%
(9)	Adjusted Premium	$1,475,621	$1,338,622	-9.3%
(10)	Excess Insurance	$27,549	$25,170	-8.6%
(11)	Claims Handling	$225,914	$214,908	-4.9%
(12)	Administration Fees	$0	$0	N/A
(13)	Brokerage & Consulting	$20,777	$20,881	0.5%
(14)	Total Premium	$1,749,860	$1,599,582	-8.6%
(15)	% Premium	9.17%	8.78%	-4.3%

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The funding can be broken down into two main components: loss premium contributions and expenses. Expenses include: excess insurance costs, claims handling expenses (TPA) fees, program administration fees, and brokerage & consulting expenses. Claims handling (TPA) fees are allocated based on a member's Loss and ALAE premium relative to the JBWCP total. Excess insurance costs and Brokerage and Consulting fees are allocated based on a member's payroll relative to the JBWCP total.

Note that the premium methodology utilizes a 3-year period for the calculations. The number of years of loss experience utilized depends on the degree of stability vs. responsiveness desired. Using more years in the calculation may stabilize year-to-year premium changes, but will not be responsive to changes in loss experience. On the other hand, using a limited number of years results in a quick response to changes in loss experience, but changes in year-to-year premiums by member will be dramatic. A 3-year time period provides a reasonable balance between stability and responsiveness.

Furthermore, the premium is developed based on losses limited to $75,000 per occurrence. Capping losses reduces the impact of single large fortuitous losses, and makes the plan more sensitive to the frequency of claims, a measure that is typically easier for the member to control. Increasing the cap introduces more volatility in the factors from year to year, but encourages the members to contain losses to the extent possible. Without such a loss limit, a member incurring one catastrophic loss will pay disproportionately higher premiums as long as that loss remains in the experience period. The member will not realize financial benefits from loss control, even though its claim frequency may have decreased.

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This report should be viewed as a supplement to our most recent actuarial review and premium calculation of the Judicial Council self-funded workers' compensation program (as documented in our February 12, 2019 reports.) As such the limitations and conditions described in that report also apply to the estimates presented in this report.

We appreciate the opportunity to be of service to the Judicial Council in preparing this report. Please feel free to call Mike Harrington at (916) 244-1162 or Becky Richard at (916) 244-1183 with any questions you may have concerning this report.

Sincerely,

Bickmore

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Mike Harrington, FCAS, MAAA
President, Actuarial Consulting, Bickmore
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

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Becky Richard, ACAS, MAAA
Senior Manager, Property and Casualty Actuarial Services, Bickmore
Associate, Casualty Actuarial Society
Member, American Academy of Actuaries

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Judicial Branch Workers' Compensation Program - Trial Courts

Workers' Compensation

Premium Allocation by Court Breakdown

2018-19 VS. 2019-20 Premiums

				Current Year		
Court	3-year Incurred Lim. Losses	3-year Projected Payroll	Weighting	Loss Funding	Expense Funding	Total Premium
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alameda	$951,200	$149,322,899	62.66%	$779,862	$172,302	$952,164
Alpine	0	892,412	11.37%	4,585	1,018	5,603
Amador	77,728	4,782,788	19.90%	34,059	6,977	41,035
Butte	274,295	18,981,808	31.51%	141,578	28,717	170,295
Calaveras	279	4,366,069	19.30%	20,465	4,663	25,128
Colusa	0	2,235,088	15.44%	10,956	2,464	13,420
Contra Costa	531,206	74,421,540	49.68%	419,279	90,787	510,065
Del Norte	80,300	4,468,962	19.45%	32,835	6,681	39,516
El Dorado	118,918	14,029,136	28.49%	84,113	17,929	102,042
Fresno	294,092	82,722,992	51.46%	348,713	82,076	430,789
Glenn	26	3,584,754	18.08%	17,028	3,864	20,892
Humboldt	411,313	12,262,844	27.24%	137,554	25,951	163,505
Imperial	234,353	20,030,571	32.08%	136,463	28,226	164,689
Inyo	0	2,895,342	16.83%	13,959	3,154	17,113
Kern	610,703	86,762,191	52.29%	484,621	105,169	589,790
Kings	290,384	12,712,373	27.56%	114,705	22,425	137,130
Lake	17	5,397,366	20.72%	24,809	5,685	30,494
Lassen	895	3,690,757	18.25%	17,615	3,992	21,607
Madera	229,125	15,071,353	29.17%	113,092	22,910	136,002
Marin	62,908	23,658,820	33.91%	106,989	24,639	131,628
Mariposa	0	2,056,029	15.02%	10,129	2,275	12,403
Mendocino	116,322	9,791,440	25.27%	64,937	13,514	78,451
Merced	30,367	18,636,081	31.31%	81,489	18,961	100,450
Modoc	872	1,576,104	13.74%	7,973	1,777	9,750
Mono	78,293	2,380,530	15.77%	21,083	4,136	25,219
Monterey	144,029	36,046,063	39.02%	170,485	38,740	209,225
Napa	45,152	15,367,688	29.36%	73,085	16,581	89,665
Nevada	26,137	10,412,631	25.79%	49,959	11,305	61,263
Orange	2,060,499	310,765,217	80.00%	1,623,213	358,618	1,981,831
Placer	68,073	25,003,309	34.54%	112,897	26,011	138,909
Plumas	0	1,946,349	14.75%	9,619	2,158	11,777
Riverside	1,328,480	224,124,133	71.74%	1,097,335	246,864	1,344,199
Sacramento	264,428	144,127,831	61.92%	443,576	116,674	560,250
San Benito	207	4,541,013	19.56%	21,207	4,837	26,043
San Bernardino	832,157	188,925,984	67.77%	785,048	185,626	970,674
San Diego	3,222,508	252,925,574	74.69%	2,215,149	435,407	2,650,556
San Francisco	873,543	119,785,861	58.22%	679,762	146,914	826,676
San Joaquin	523,514	58,185,744	45.77%	366,494	77,191	443,685
San Luis Obispo	80,115	27,056,829	35.46%	122,997	28,281	151,278
San Mateo	449,215	64,044,127	47.25%	358,457	77,749	436,206
Santa Barbara	493,682	42,213,350	41.12%	299,620	61,417	361,037
Santa Clara	2,137,821	146,001,592	62.19%	1,338,622	260,960	1,599,582
Santa Cruz	10,536	24,620,810	34.36%	96,460	23,252	119,711
Shasta	362,633	29,258,858	36.39%	208,997	42,782	251,779
Sierra	0	1,024,524	11.91%	5,232	1,163	6,395
Siskiyou	36,618	5,628,306	21.01%	31,667	6,859	38,526
Solano	757,657	39,400,227	40.19%	369,898	71,813	441,711
Sonoma	236,527	39,120,211	40.09%	208,510	45,814	254,324
Stanislaus	88,423	38,782,529	39.98%	162,025	38,245	200,270
Sutter	56,487	9,238,244	24.78%	51,007	11,103	62,110
Tehama	2,886	6,983,922	22.58%	31,845	7,315	39,160
Trinity	0	2,712,163	16.47%	13,133	2,964	16,097
Tulare	391,079	38,210,537	39.78%	252,581	52,603	305,184
Tuolumne	39,675	5,786,289	21.20%	32,876	7,103	39,979
Ventura	489,451	72,275,860	49.20%	397,339	86,588	483,927
Yolo	89,429	16,989,655	30.36%	89,388	19,710	109,097
Yuba	69,981	8,795,718	24.38%	51,629	11,063	62,692
Total Courts	$19,574,536	$2,587,031,395		$14,999,000	$3,224,000	$18,223,000

Notes:
(2) throught (7) From the current allocation

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Judicial Branch Workers' Compensation Program - Trial Courts

Workers' Compensation

Premium Allocation by Court Breakdown

2018-19 VS. 2019-20 Premiums

			Prior Year			
Court	3-year Incurred Lim. Losses	3-year Projected Payroll	Weighting	Loss Funding	Expense Funding	Total Premium
(1)	(8)	(9)	(10)	(11)	(12)	(13)
Alameda	$993,970	$151,089,102	62.94%	$825,454	$176,908	$1,002,362
Alpine	0	834,655	11.13%	4,698	998	5,697
Amador	122,567	4,517,158	19.53%	41,040	7,794	48,834
Butte	256,658	17,998,710	30.97%	138,510	27,225	165,736
Calaveras	279	4,439,086	19.42%	22,695	4,959	27,655
Colusa	0	2,220,814	15.42%	11,897	2,564	14,461
Contra Costa	740,949	72,357,493	49.24%	507,198	101,851	609,049
Del Norte	71,473	4,654,257	19.73%	34,274	6,804	41,078
El Dorado	118,184	13,705,419	28.28%	87,408	17,966	105,374
Fresno	728,553	79,205,497	50.75%	525,321	106,916	632,238
Glenn	26	3,744,987	18.35%	19,370	4,218	23,588
Humboldt	615,405	11,959,779	27.02%	180,439	31,625	212,064
Imperial	150,487	19,547,286	31.83%	120,444	24,977	145,422
Inyo	0	2,777,770	16.61%	14,670	3,175	17,845
Kern	451,691	80,818,502	51.09%	424,020	91,947	515,967
Kings	442,951	12,508,869	27.43%	148,938	26,986	175,924
Lake	5,396	5,265,674	20.56%	27,328	5,945	33,274
Lassen	895	3,635,253	18.17%	18,963	4,119	23,082
Madera	266,753	14,751,597	28.98%	124,534	24,000	148,533
Marin	1,368	23,684,550	33.94%	99,447	23,147	122,594
Mariposa	74,761	2,013,048	14.92%	19,242	3,619	22,862
Mendocino	79,095	9,420,650	24.96%	59,630	12,280	71,911
Merced	17,755	18,221,256	31.10%	83,672	18,904	102,577
Modoc	872	1,535,099	13.63%	8,487	1,813	10,299
Mono	86,250	2,253,337	15.49%	22,117	4,140	26,256
Monterey	168,387	34,387,861	38.43%	182,798	39,487	222,285
Napa	44,904	14,917,202	29.09%	76,825	16,751	93,575
Nevada	11,540	10,463,432	25.85%	51,386	11,367	62,753
Orange	1,717,153	310,254,729	80.00%	1,426,841	322,213	1,749,054
Placer	181,320	23,917,104	34.05%	146,364	30,407	176,772
Plumas	0	1,942,520	14.74%	10,489	2,256	12,744
Riverside	952,729	214,195,858	70.71%	904,374	210,097	1,114,471
Sacramento	437,789	138,943,456	61.21%	543,040	129,609	672,649
San Benito	207	4,700,036	19.79%	23,906	5,232	29,138
San Bernardino	1,081,259	175,764,252	66.20%	914,970	198,866	1,113,836
San Diego	3,798,001	250,060,454	74.45%	2,532,669	471,380	3,004,050
San Francisco	871,204	119,883,591	58.27%	698,898	147,096	845,994
San Joaquin	595,410	55,949,863	45.20%	396,725	79,450	476,175
San Luis Obispo	126,440	26,810,273	35.37%	143,401	30,921	174,322
San Mateo	547,075	60,662,207	46.43%	396,979	81,066	478,045
Santa Barbara	354,599	41,487,861	40.91%	264,441	54,361	318,802
Santa Clara	2,417,019	144,488,444	62.01%	1,475,621	274,239	1,749,860
Santa Cruz	12,106	24,531,269	34.34%	105,148	24,303	129,451
Shasta	331,357	27,763,001	35.78%	202,150	40,234	242,384
Sierra	0	844,720	11.17%	4,752	1,010	5,762
Siskiyou	590	6,098,673	21.59%	30,382	6,691	37,073
Solano	772,142	37,805,774	39.66%	374,950	70,048	444,998
Sonoma	127,069	37,459,845	39.54%	181,253	40,278	221,531
Stanislaus	93,507	37,548,669	39.57%	171,554	38,823	210,377
Sutter	152,546	8,954,626	24.54%	70,969	13,860	84,829
Tehama	2,886	6,614,906	22.18%	33,083	7,277	40,361
Trinity	0	2,633,406	16.32%	13,957	3,018	16,974
Tulare	495,326	36,004,277	39.02%	284,512	55,600	340,112
Tuolumne	4,754	5,768,323	21.19%	29,549	6,453	36,002
Ventura	537,451	68,858,889	48.44%	420,791	87,452	508,243
Yolo	53,259	16,172,192	29.88%	83,795	18,238	102,033
Yuba	71,839	8,446,011	24.07%	53,630	11,035	64,666
Total Courts	$21,186,201	$2,517,493,572		$15,820,000	$3,264,000	$19,084,000

Notes:
(8) throught (13) From the prior allocation

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Judicial Branch Workers' Compensation Program - Trial Courts

Workers' Compensation

Premium Allocation by Court Breakdown

2018-19 VS. 2019-20 Premiums

Court	3-year Incurred Lim. Losses	3-year Projected Payroll	Change in Weighting	Loss Funding	Expense Funding	Total Premium
(1)	(14)	(15)	(16)	(17)	(18)	(19)
Alameda	-4%	-1%	0%	-6%	-3%	-5%
Alpine	N/A	7%	2%	-2%	2%	-2%
Amador	-37%	6%	2%	-17%	-10%	-16%
Butte	7%	5%	2%	2%	5%	3%
Calaveras	0%	-2%	-1%	-10%	-6%	-9%
Colusa	N/A	1%	0%	-8%	-4%	-7%
Contra Costa	-28%	3%	1%	-17%	-11%	-16%
Del Norte	12%	-4%	-1%	-4%	-2%	-4%
El Dorado	1%	2%	1%	-4%	0%	-3%
Fresno	-60%	4%	1%	-34%	-23%	-32%
Glenn	0%	-4%	-2%	-12%	-8%	-11%
Humboldt	-33%	3%	1%	-24%	-18%	-23%
Imperial	56%	2%	1%	13%	13%	13%
Inyo	N/A	4%	1%	-5%	-1%	-4%
Kern	35%	7%	2%	14%	14%	14%
Kings	-34%	2%	0%	-23%	-17%	-22%
Lake	-100%	3%	1%	-9%	-4%	-8%
Lassen	0%	2%	0%	-7%	-3%	-6%
Madera	-14%	2%	1%	-9%	-5%	-8%
Marin	4500%	0%	0%	8%	6%	7%
Mariposa	-100%	2%	1%	-47%	-37%	-46%
Mendocino	47%	4%	1%	9%	10%	9%
Merced	71%	2%	1%	-3%	0%	-2%
Modoc	0%	3%	1%	-6%	-2%	-5%
Mono	-9%	6%	2%	-5%	0%	-4%
Monterey	-14%	2%	-7%	-2%	-6%	
Napa	1%	3%	1%	-5%	-1%	-4%
Nevada	126%	0%	0%	-3%	-1%	-2%
Orange	20%	0%	0%	14%	11%	13%
Placer	-62%	5%	1%	-23%	-14%	-21%
Plumas	N/A	0%	0%	-8%	-4%	-8%
Riverside	39%	5%	1%	21%	17%	21%
Sacramento	-40%	4%	1%	-18%	-10%	-17%
San Benito	0%	-3%	-1%	-11%	-8%	-11%
San Bernardino	-23%	7%	2%	-14%	-7%	-13%
San Diego	-15%	1%	0%	-13%	-8%	-12%
San Francisco	0%	0%	0%	-3%	0%	-2%
San Joaquin	-12%	4%	1%	-8%	-3%	-7%
San Luis Obispo	-37%	1%	0%	-14%	-9%	-13%
San Mateo	-18%	6%	2%	-10%	-4%	-9%
Santa Barbara	39%	2%	1%	13%	13%	13%
Santa Clara	-12%	1%	0%	-9%	-5%	-9%
Santa Cruz	-13%	0%	0%	-8%	-4%	-8%
Shasta	9%	5%	2%	3%	6%	4%
Sierra	N/A	21%	7%	10%	15%	11%
Siskiyou	6110%	-8%	-3%	4%	3%	4%
Solano	-2%	4%	1%	-1%	3%	-1%
Sonoma	86%	4%	1%	15%	14%	15%
Stanislaus	-5%	3%	1%	-6%	-1%	-5%
Sutter	-63%	3%	1%	-28%	-20%	-27%
Tehama	0%	6%	2%	-4%	1%	-3%
Trinity	N/A	3%	1%	-6%	-2%	-5%
Tulare	-21%	6%	2%	-11%	-5%	-10%
Tuolumne	735%	0%	0%	11%	10%	11%
Ventura	-9%	5%	2%	-6%	-1%	-5%
Yolo	68%	5%	2%	7%	8%	7%
Yuba	-3%	4%	1%	-4%	0%	-3%
Total Courts	-8%	3%		-5%	-1%	-5%

Notes:
(14) through (19) = [(2) through (7)] / [(8) through (13)] - 1, respectively.

8

Judicial Branch Workers' Compensation Program Advisory Committee
Annual Agenda[1]—2019

I.   COMMITTEE INFORMATION

Chair:	Ms. Tania Ugrin-Capobianco, Court Executive Officer, Superior Court of California, County of El Dorado
Lead Staff:	Mr. Patrick Farrales, Supervising Analyst, Judicial Council of California

Committee's Charge/Membership:

In conjunction with Rule 10.350, Rule 10.67 of the California Rules of Court states the charge of the Judicial Branch Workers' Compensation Program Advisory Committee, which is to make recommendations to the council for improving the statewide administration of the Judicial Branch Workers' Compensation Program and on allocation to and from the Judicial Branch Workers' Compensation Fund established under Government Code section 68114.10. Rule 10.67 states that the committee must review:

- The progress of the Judicial Branch Workers' Compensation Program;
- The annual actuarial report; and
- The annual allocation, including any changes to existing methodologies for allocating workers' compensation costs.

The Committee currently has 16 members. The attached term of services chart provides the composition of the Committee.

Subcommittees/Working Groups[2]:

1. Deficit Reduction Alternatives Working Group
2. Settlement Authority Working Group

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[1] The annual agenda outlines the work a committee will focus on in the coming year and identifies areas of collaboration with other advisory bodies and the Judicial Council staff resources.

[2] California Rules of Court, rule 10.30 (c) allows an advisory body to form subgroups, composed entirely of current members of the advisory body, to carry out the body's duties, subject to available resources, with the approval of its oversight committee.

II.   COMMITTEE PROJECTS

#	New or One-Time Projects[3]	
1.	*Project Title:* Risk Consultant Solicitation	*Priority 1[4]*
	Project Summary[5]: Consistent with Rule 10.350(b), members of the Advisory Committee will support the Judicial Council in its role in the Judicial Branch Workers' Compensation Program to designate a risk consultant, actuary, and excess insurance broker for the workers' compensation program by participating on the panel for selection. *Status/Timeline:* The Request for Proposals process will be begin in July 2019 for risk consulting services expected to begin in July 2020. *Fiscal Impact/Resources:* Coordination through lead staff to the committee with input from the Judicial Council's offices of Branch Accounting & Procurement and Budget Services. *Internal/External Stakeholders:* JBWCP Members *AC Collaboration:* N/A	
2.	*Project Title* Revisions to the Settlement Authority Policy	*Priority 1[4]*
	Project Summary: The Advisory Committee will consider a recommendation to the Judicial Council regarding a revised settlement authority policy that will address delays in processing times at the court, JBWCP staff and third party administrator levels. *Status/Timeline:* The Settlement Authority Working Group will begin its policy review in May 2019, and provide recommendations to the Advisory Committee in the fall.	

[3] All proposed projects for the year must be included on the Annual Agenda. If a project implements policy or is a program, identify it as *implementation* or *a program* in the project description and attach the Judicial Council authorization/assignment or prior approved Annual Agenda to this Annual Agenda.
[4] For non-rules and forms projects, select priority level 1 (must be done) or 2 (should be done). For rules and forms proposals, select one of the following priority levels: 1(a) Urgently needed to conform to the law; 1(b) Urgently needed to respond to a recent change in the law; 1(c) Adoption or amendment of rules or forms by a specified date required by statute or council decision; 1(d) Provides significant cost savings and efficiencies, generates significant revenue, or avoids a significant loss of revenue; 1(e) Urgently needed to remedy a problem that is causing significant cost or inconvenience to the courts or the public; 1(f) Otherwise urgent and necessary, such as a proposal that would mitigate exposure to immediate or severe financial or legal risk; 2(a) Useful, but not necessary, to implement statutory changes; 2(b) Helpful in otherwise advancing Judicial Council goals and objectives.
[5] A key objective is a strategic aim, purpose, or "end of action" to be achieved for the coming year.

#	New or One-Time Projects[3]
	Fiscal Impact/Resources: Coordination through lead staff to the committee. *Internal/External Stakeholders:* JBWCP Members *AC Collaboration:* Settlement Authority Working Group

#	Ongoing Projects and Activities	
1.	**Project Title** Allocation of Fiscal Year 2019-2020 Workers' Compensation Premiums	**Priority 1[4]**
	Project Summary: The Advisory Committee will consider recommendations to the Judicial Council regarding the fiscal year 2019-2020 workers' compensation membership premium, which is based on the program's actuarial evaluation. **Status/Timeline:** The Advisory Committee will provide its recommendations in a report to the Judicial Council at its May 2019 meeting. **Fiscal Impact/Resources:** Coordination through lead staff to the Advisory Committee with input from the Judicial Council's Budget Services office. **Internal/External Stakeholders:** JBWCP Members **AC Collaboration:** Recommendations and initiatives will be submitted to the Court Executives Advisory Committee, Trial Court Presiding Judges Advisory Committee, Supreme Court and Appellate Court Clerk Executive Officers.	
2.	**Project Title** Review of Third Party Administrator Compliance with Service Guidelines	**Priority 1[4]**
	Project Summary: Consistent with Rule 10.350, Judicial Council staff will continue to solicit input from the Advisory Committee, monitor the performance of the third party administrator through the development of quarterly reports, and consider appropriate recommendations. The review will include claims administration and managed care. The schedule will also shift from quarterly to trimester. **Status/Timeline:** Ongoing **Fiscal Impact/Resources:** Coordination through lead staff to the Advisory Committee. **Internal/External Stakeholders:** JBWCP Members, AIMS, York **AC Collaboration:** N/A	

#	Ongoing Projects and Activities	
3.	*Project Title* Assessment Plan and Confidence Levels	*Priority 2[4]*

Project Summary: The Advisory Committee will continue to review recommendations to reduce the workers' compensation fund deficit, including raising confidence levels and implementing an assessment plan, for presentation to the Judicial Council. The recommendations will include multiple scenarios and will provide options for reducing the deficit over a defined timeframe (10, 15, and 20 years).

Status/Timeline: Ongoing

Fiscal Impact/Resources: Coordination through lead staff to the Advisory Committee.

Internal/External Stakeholders: JBWCP Members

AC Collaboration: Deficit Reduction Alternatives Working Group

III. LIST OF 2018 PROJECT ACCOMPLISHMENTS

#	Project Highlights and Achievements
1.	The third party administrator has shown improved performance over the last year and received an overall score of 90 percent across all audit categories in 2018. The minimum passing score is 85 percent.
2.	The return-to-work pilot program generated a net savings of $25,926 to the workers' compensation fund.
3.	23 trial courts have volunteered to participate in the state workers' compensation buddy program to assist each other on workers' compensation-related inquiries.
4.	40 respondents, representing 35 courts, participated in the 2018 Annual Workers' Compensation Survey, and provided multiple recommendations for next fiscal year's educational curriculum.
5.	The Advisory Committee approved a recommendation to allow three members of the Advisory Committee to approve Level IV settlements, and to allow five members of the Advisory Committee to approve Level V settlements.