

# WORKERS' COMPENSATION Benefits & Costs

NATIONAL  
ACADEMY  
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## WHAT IS WORKERS' COMPENSATION?



Workers' compensation was the country's first social insurance program and provides

medical care, rehabilitation, and cash benefits for workers who are injured on the job or who contract work-related illnesses.

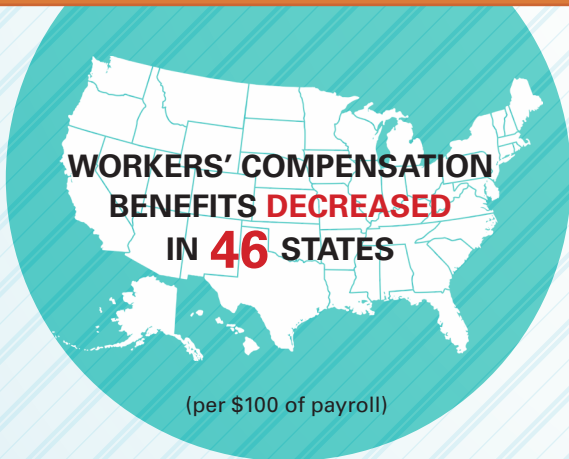
## ARE BENEFITS PAID GOING UP OR DOWN?

DOWN. Employee benefits as a share of payroll are at a historic low.



## WHAT'S HAPPENING WITH EMPLOYERS' COSTS?

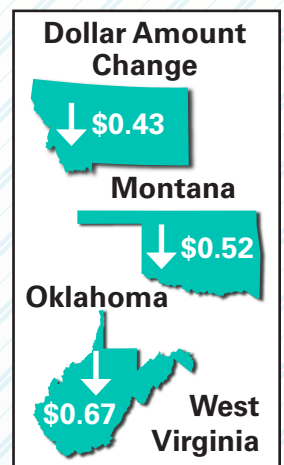
Employer costs such as insurance premiums, deductibles, and administrative costs are RISING.



## WHY MIGHT BENEFITS HAVE FALLEN?

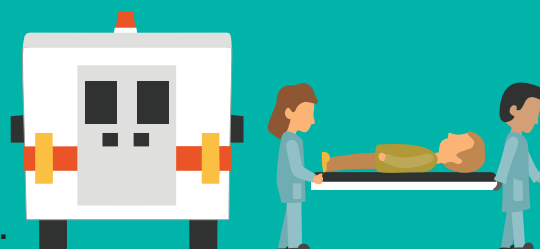
Workplace injuries have decreased and some states have put policies in place that make it harder to receive benefits.

WV, OK, and MT are the states with the largest benefit decline. These states also implemented significant changes to their workers' compensation systems.



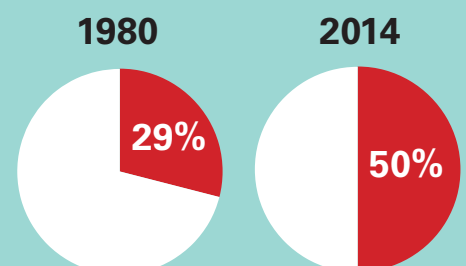
## HOW LARGE OF A ROLE ARE MEDICAL COSTS PLAYING IN EMPLOYER COSTS?

About 32 states spent **more than half** of their workers' compensation benefits on medical care for injured workers in 2014.



Source: *Workers' Compensation: Benefits, Coverage and Costs* (National Academy of Social Insurance, 2016).

Medical benefits as a share of total workers' comp. benefits:



[www.nasi.org](http://www.nasi.org)