



North Dakota Workforce
Safety & Insurance

House Appropriations Education & Environment Committee

Art Thompson | Director
January 13, 2025

Who We Are



About Us

WSI is an exclusive, employer-financed, no-fault insurance state fund covering workplace injuries and deaths (NDCC Title 65). **WSI is a special fund agency and receives no general fund dollars.**

Our Vision

As the sole provider and administrator of workers' compensation in North Dakota, WSI's vision is a safe, secure, and healthy North Dakota workforce.

WSI Philosophy >>

CORE PURPOSE

To care for injured workers

BUSINESS

Providing Workers' Compensation and Safety Services

VISION

Is a Safe, Secure and Healthy North Dakota Workforce

CORE VALUES

Loyal, Caring and Forthright

STRATEGIC ANCHORS

Exceptional People, Exceptional Service and
Financial Stability

WSI's Business

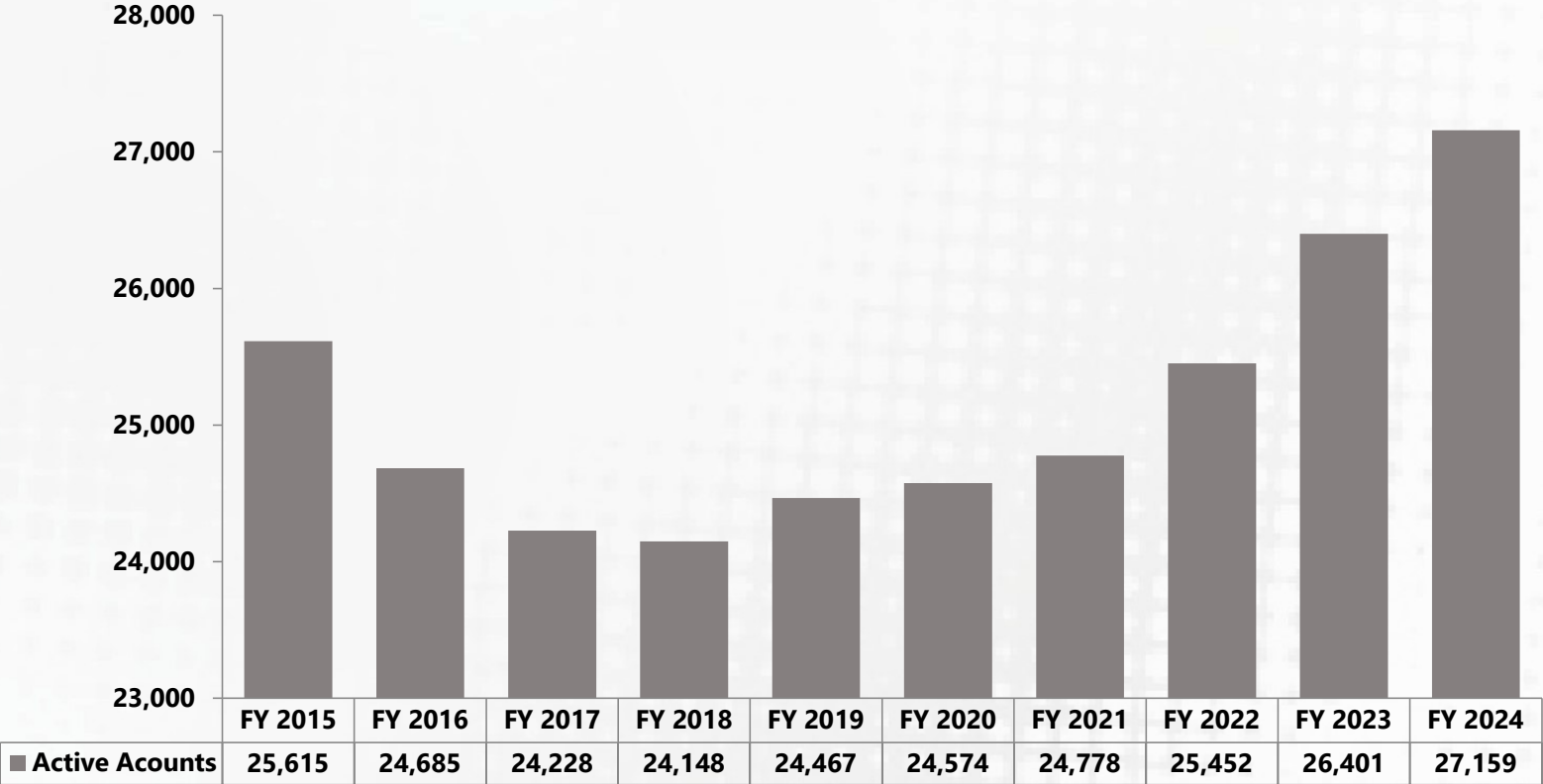
WSI's strategic plan has guided our focus and has resulted in a high performing organization that is valued by our stakeholders and recognized by industry leaders. **Our business is about relationships and partnerships.**

Who We Serve

Population:	796,568
Covered Workforce:	412,536
Employer Accounts:	27,159
Claims Filed :	17,042
WSI Staff:	260 FTE
Earned Premiums:	\$181 M
WSI Assets:	\$2.2 B



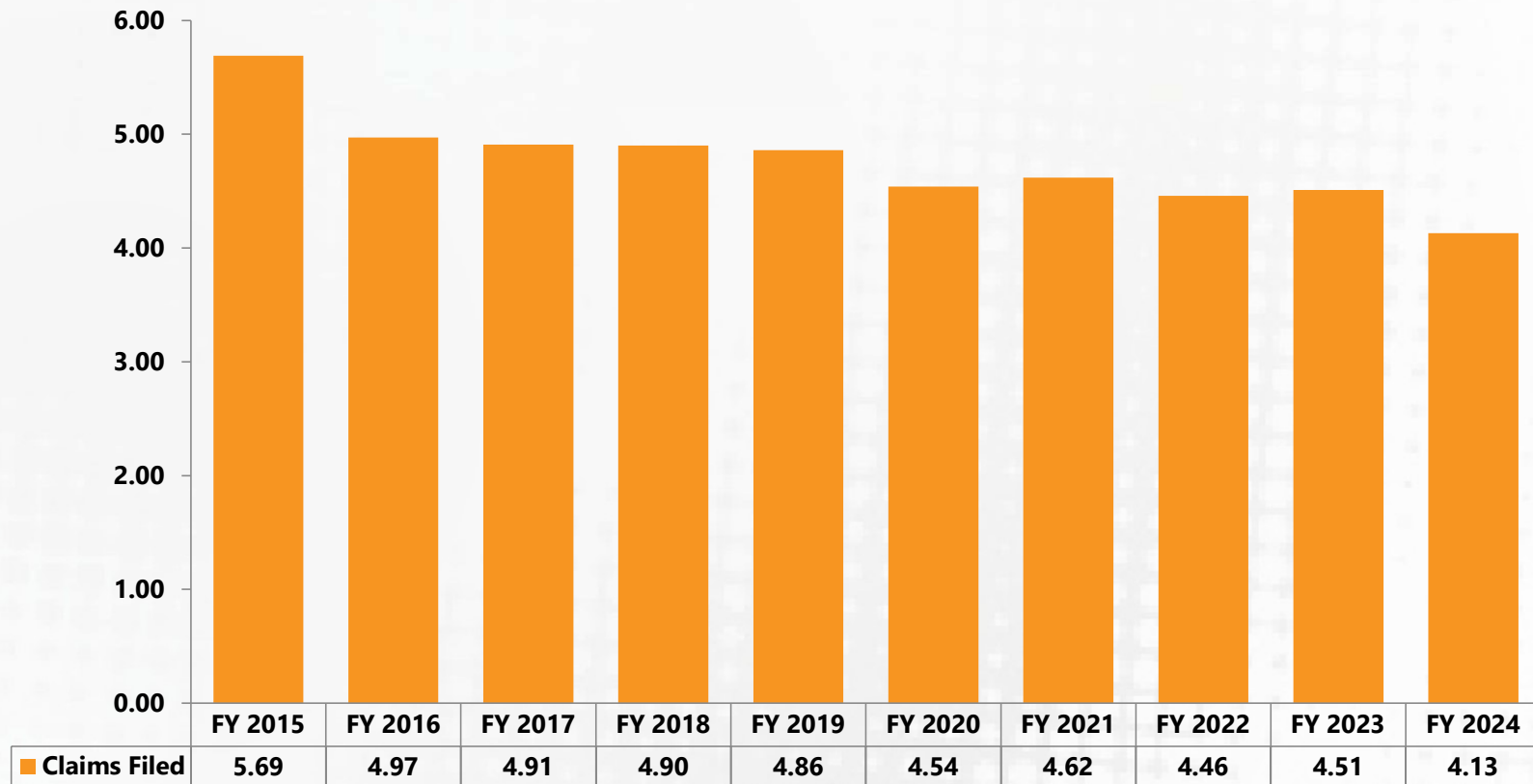
Active Employer Accounts



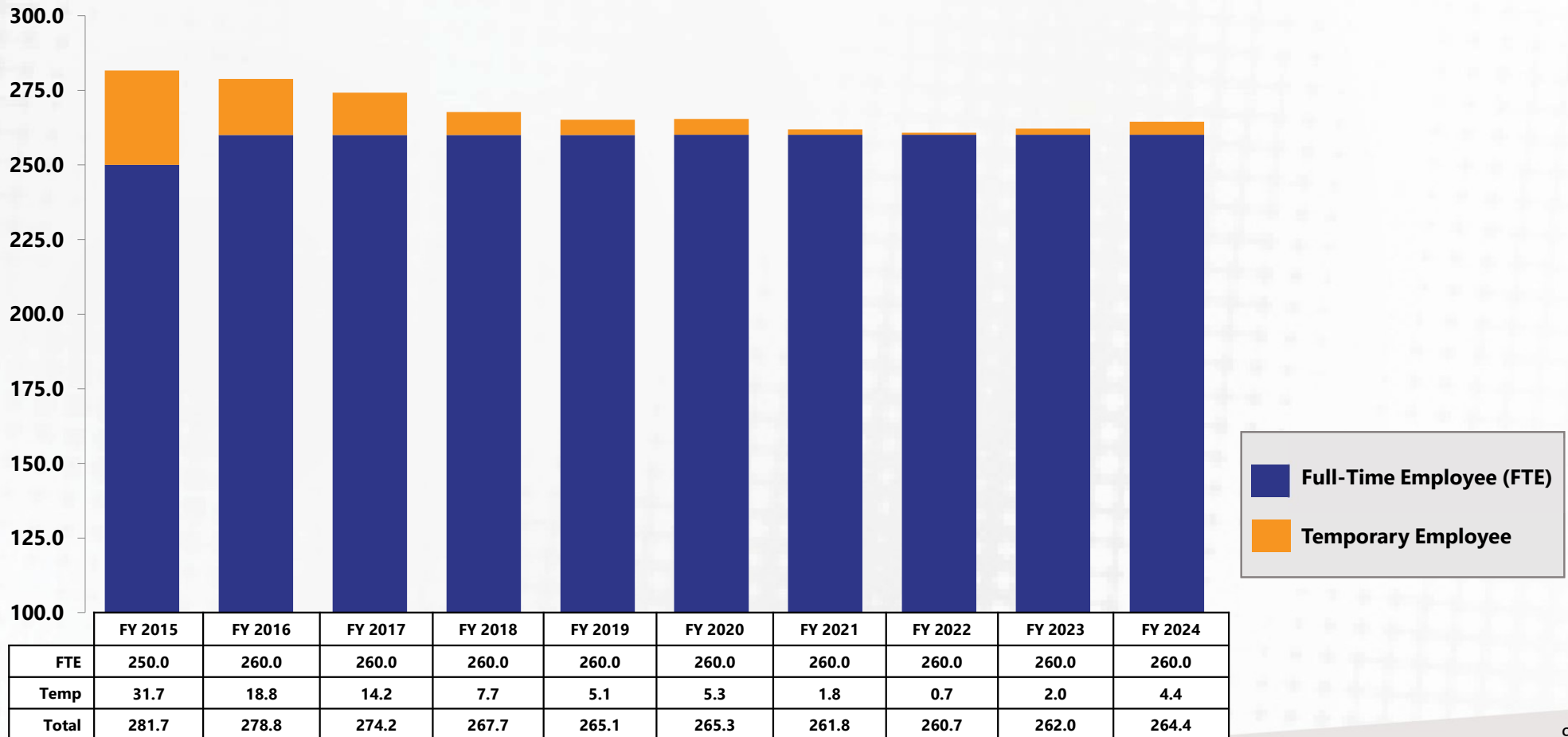
Claims Filed by Fiscal Year



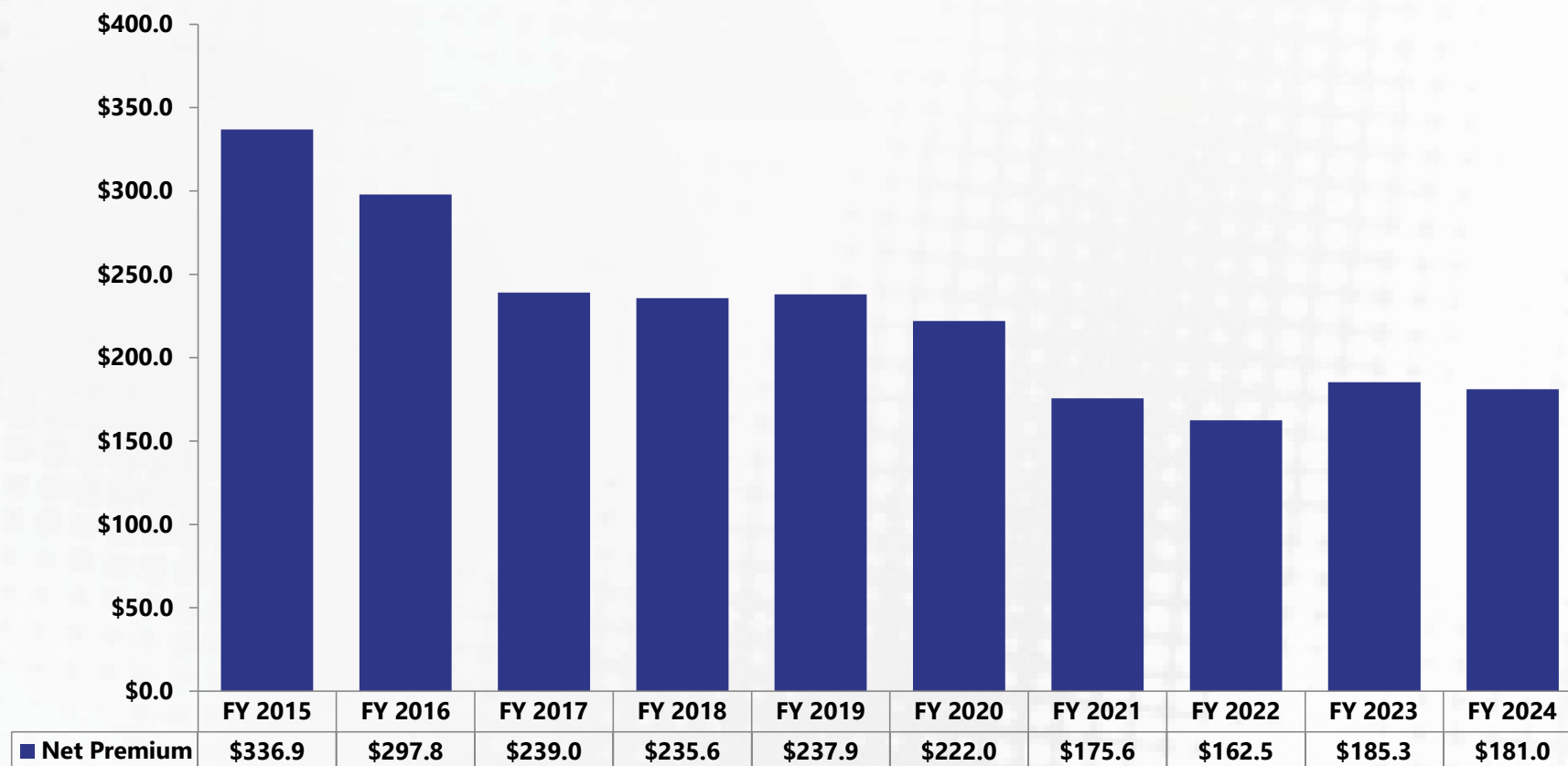
Claims Filed Per 100 Covered Workers



Employee Count by Fiscal Year



Net Earned Premiums (\$ Millions)



How WSI Measures Success

Safety Focus

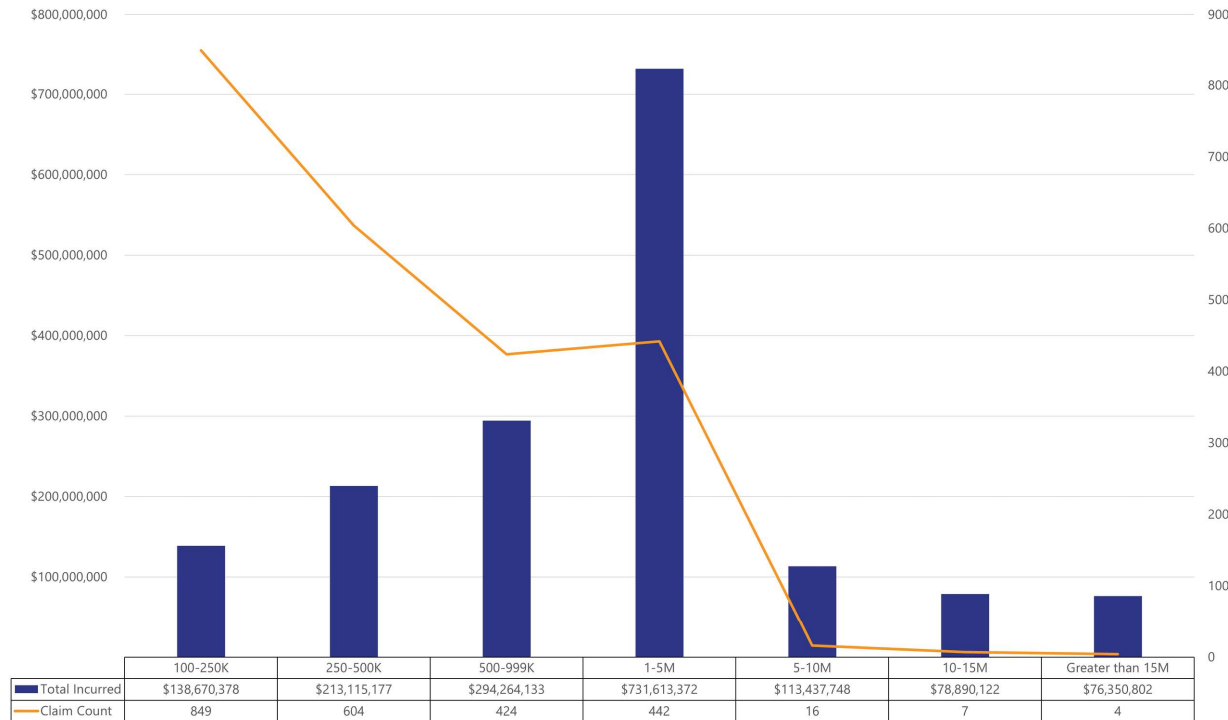
Injury rates have been reduced by 27% over the last decade. In fiscal year 2024, WSI issued \$23.9 million in safety premium discounts to employers for successful participation in Safety Programs.

Financially Strong

The WSI fund exceeds statutory surplus requirements. WSI issued \$1.8 billion in employer dividends in the past 19 out of 20 years.

Open Claims Greater Than \$100,000

	Total Reserves	Total Paid	Total Incurred (Paid & Reserves)	Claim Count
100-250K	29,197,014	109,473,364	138,670,378	849
250-500K	46,224,932	166,890,245	213,115,177	604
500-999K	66,713,366	227,550,767	294,264,133	424
1-5M	334,808,093	396,805,279	731,613,372	442
5-10M	59,988,009	53,449,740	113,437,748	16
10-15M	52,376,543	26,513,579	78,890,122	7
Greater than 15M	51,110,413	25,240,389	76,350,802	4
Total	\$640,418,370	\$1,005,923,361	\$1,646,341,732	



As of 11/30/2024

* Undeveloped - reported losses excluding IBNR

How WSI Measures Success

Enhanced Technology

The goal of CAPS and myWSI is to improve customer service, enhance system maintainability for our internal and external customers.

Few Disputes & Low Litigation

North Dakota is known to be one of the least litigious workers' compensation systems in the country. Only half of 1% of decisions issued proceed to an administrative court hearing.

How WSI Measures Success

Strong Statutory Benefits

North Dakota provides a favorable benefit package for injured employees as compared to other jurisdictions.

Low Premiums

Premiums were reduced for the 9th consecutive year with an average 0.6% reduction for the current policy year. North Dakota continuously ranks as the lowest premium state in the nation (2022 Oregon Premium Study).

How WSI Measures Success

Good Payor

Fair payment for medical and hospital services ensures injured employees access to quality healthcare. WSI fee schedules range from 163% to 250% of what Medicare would pay.

Customer Satisfaction

WSI's customer satisfaction consistently ranks high on 1 to 5-point scale: Employer – 4.41; Injured Employee – 4.24; Medical Provider – 3.94.

WSI 2025-2027 Biennial Appropriation Request

		2025-2027 Requested Budget*
1	WSI Base Level Appropriation	\$70,929,926
	<u>One-Time Funding Description</u>	
	Claims and Policy System (CAPS)	\$5,208,325
	myWSI	\$1,366,050
	Facility Improvements	\$2,000,000
2	Total One-Time Funding	\$8,574,375
	WSI Biennial Appropriation (1 + 2)	\$79,504,301
	FTE Authority	260
	*Minus employee pay package.	
	Unspent funds remain in the WSI fund.	

One-Time Funding

Continued Development of Claims and Policy System (CAPS)

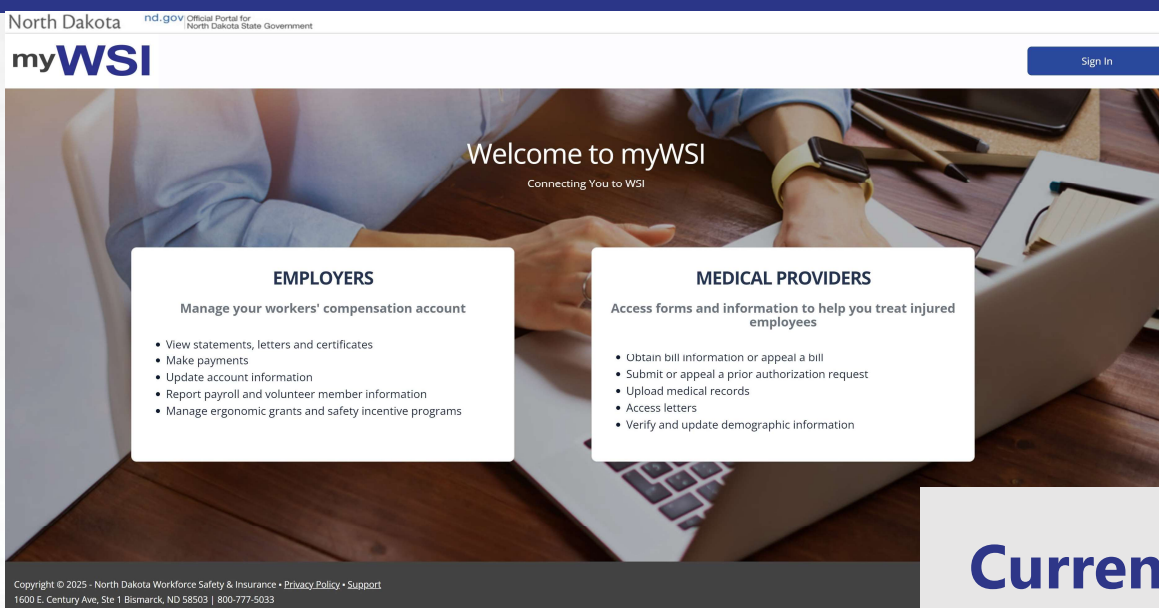


The goal of CAPS is to replace WSI's core business system software with web-based technology to improve customer service, enhance system maintainability and provide enhanced reporting and accessibility to information.

Current Biennium	\$4,950,000
Next Biennium	\$5,208,325

One-Time Funding

Continued Development of myWSI



The goal of myWSI is to create a secure, self-service portal for external customers and stakeholders to view, update, submit and retrieve information relating to interactions with WSI.

Current Biennium	\$1,830,000
Next Biennium	\$1,366,050

One-Time Funding

Facility Improvements



Initiatives include a roof replacement, carpet installation, bathroom counters and sink upgrades, and exterior block and mortar repairs to ensure long-term protection and efficiency.

Next Biennium

\$2,000,000

WSI Summary

- WSI is financially stable, with proven programs to reduce workplace injuries and to treat and return injured employees to the job.
- North Dakota provides a favorable benefit structure for injured employees
- WSI is a good steward of premium dollars.
- WSI is strong partner with the medical community.
- WSI has few disputes and high customer satisfaction.

Questions?

Legislators' Guide to WSI

Learn more about WSI and our services that support our vision of creating a safe, secure, and healthy North Dakota workforce.

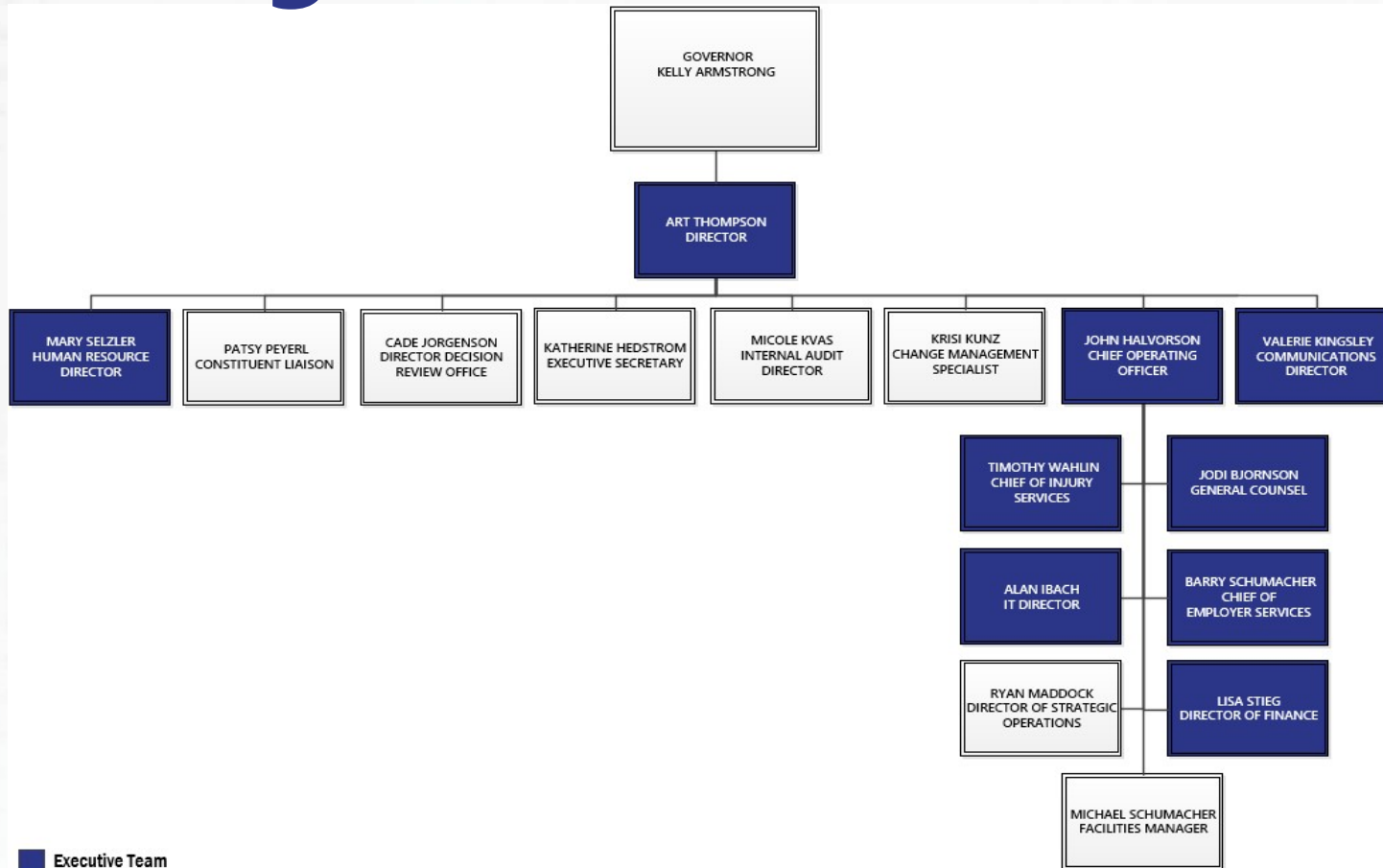


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Appendix

A1	WSI Organization Chart
A2	2024 Financial Audit
A3	Vacant FTE Funding Pool
A4 – A7	State by State Average Weekly Wage & Benefit Comparison
A8 – A9	State by State Premium Comparisons
A10 – A14	Historical Workers' Compensation Benefit & Service Enhancement Legislation
A15	IT Projects Timeline & Funding

WSI Organizational Chart



Financial Audit

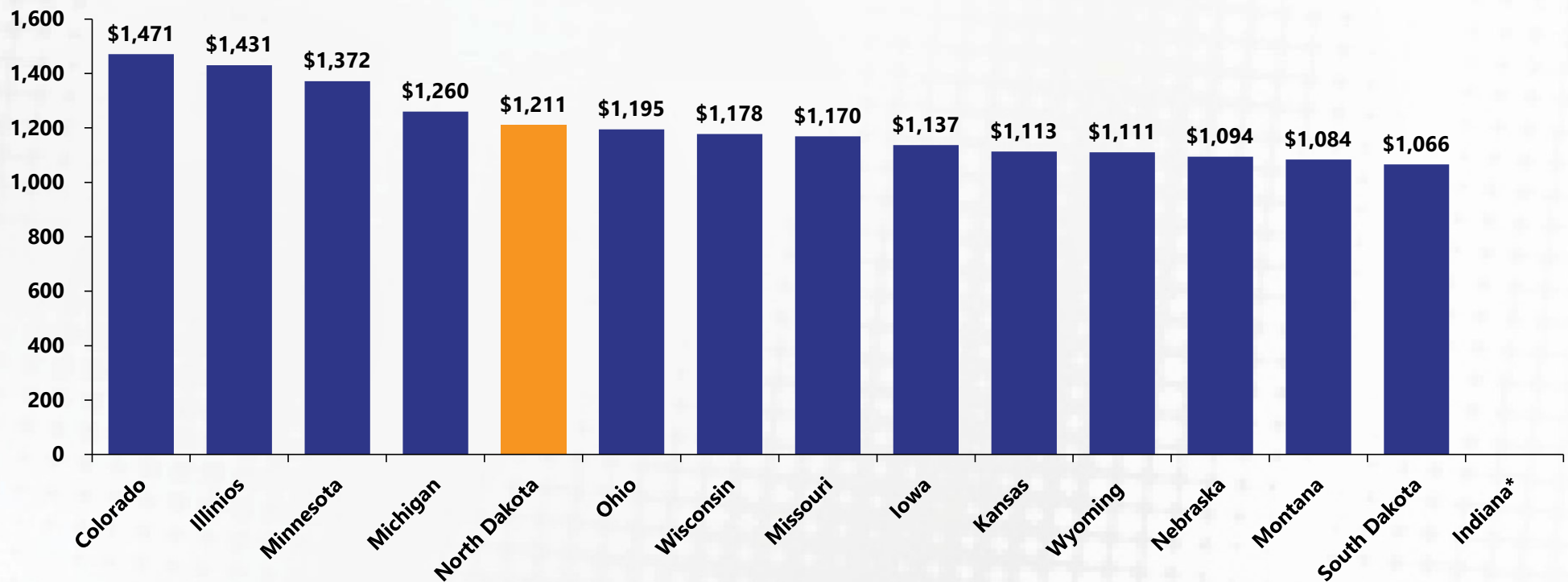
The FY2024 Financial Audit conducted by Eide Bailly noted no material weaknesses, no significant compliance findings, and no prior year findings to update.

Vacant FTE Funding Pool

Amount removed from WSI appropriation:	\$3,701,233
70% of total available to request:	\$2,590,863
Total funds requested:	\$2,398,056
Remaining FTE Pool Amount:	\$192,807

Benefit Comparison (2024)

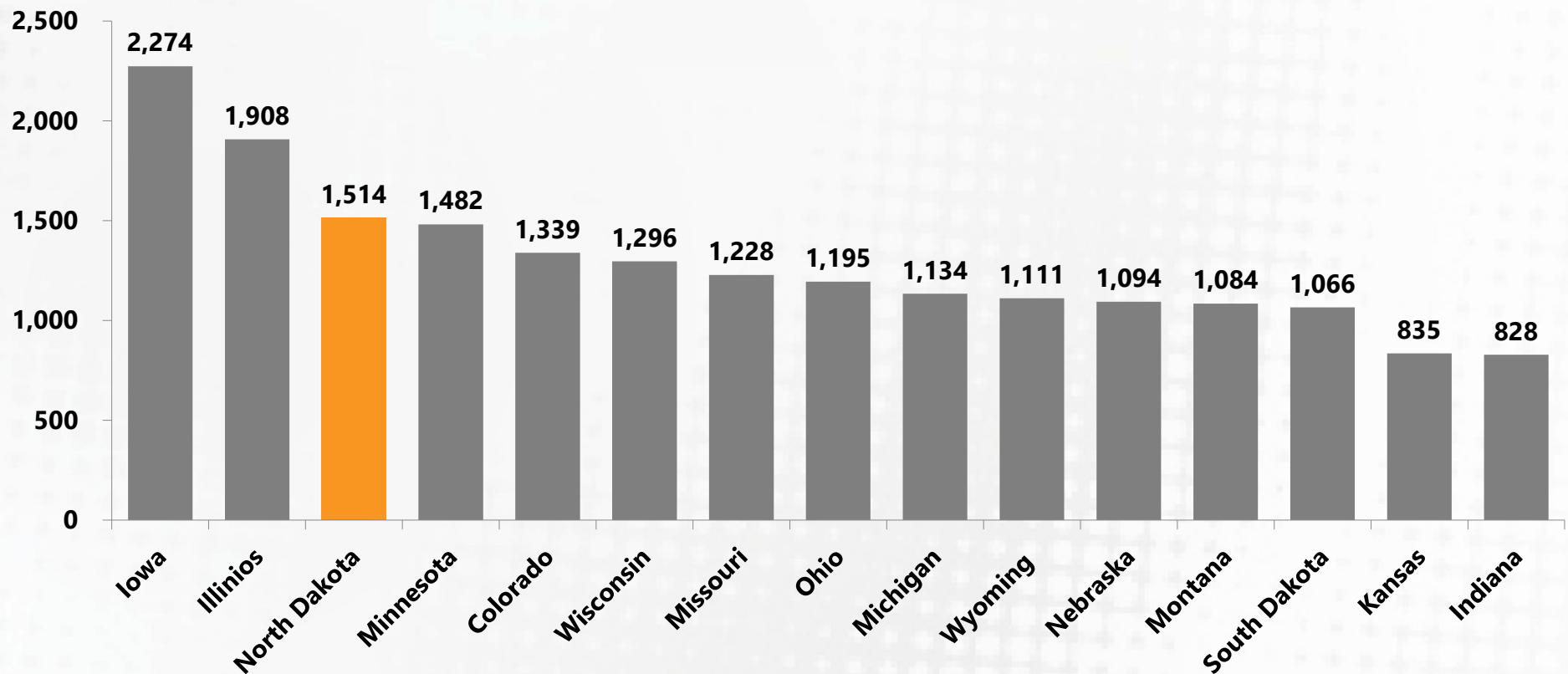
State's Average Weekly Wage by State



* **No data available for Indiana.** Wyoming - 2/3 of monthly gross wage can not exceed 100% of the statewide average monthly wage calculated quarterly – Data shown is from 3rd quarter 2024.

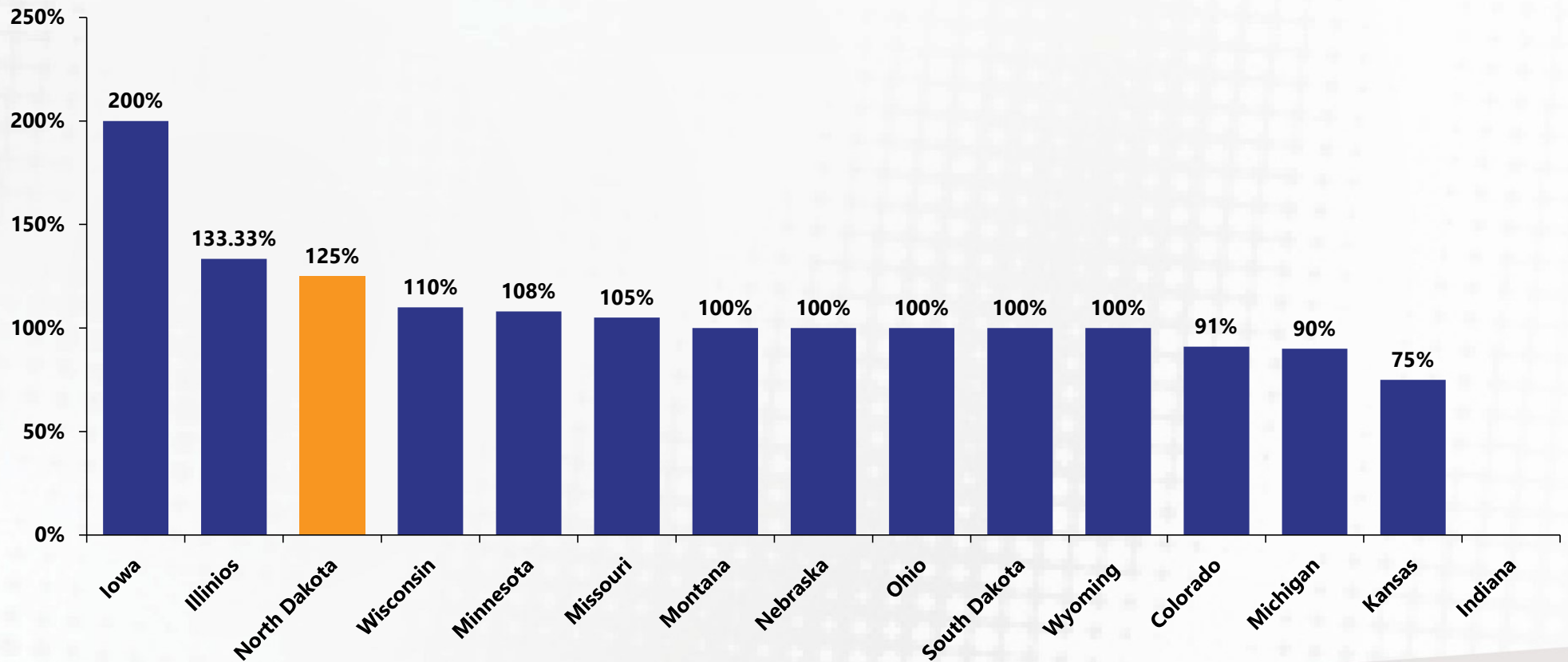
Benefit Comparison (2024)

Maximum Weekly Benefit Amount by State



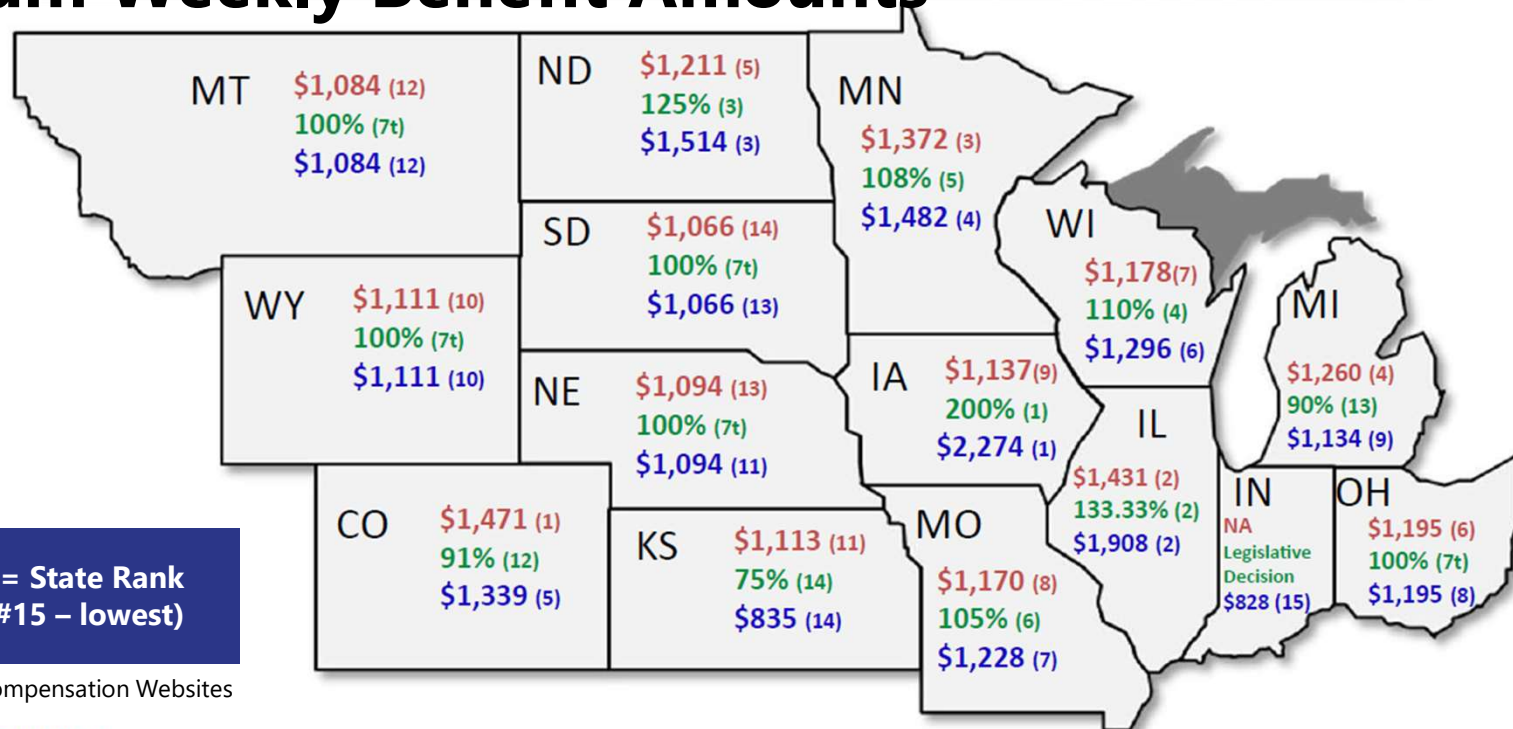
Benefit Comparison (2024)

Maximum Weekly Benefit Rate by State



Midwest States (2024)

State's Average Weekly Wage, Maximum Benefit Rates and Maximum Weekly Benefit Amounts



* Parenthesis = State Rank
(#1 – highest to #15 – lowest)

Source: State Workers' Compensation Websites

SAWW (WY uses State's Avg Monthly Wage—calculated quarterly—3rd Qtr 2024 shown)

Max. Weekly Benefit Rate

Max. Weekly Benefit Amount

Premium Index Comparison

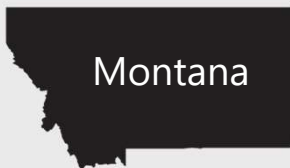
Per 2022 Oregon Study - Neighbor state's rates compared to North Dakota (before any dividends)



2.2 X
Higher



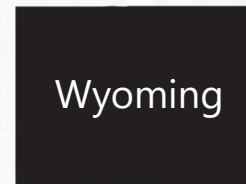
2.7 X
Higher



2.5 X
Higher

Source: Oregon Study

Monopolistic States: State's rates compared to North Dakota (before any dividends)



3.2 X
Higher

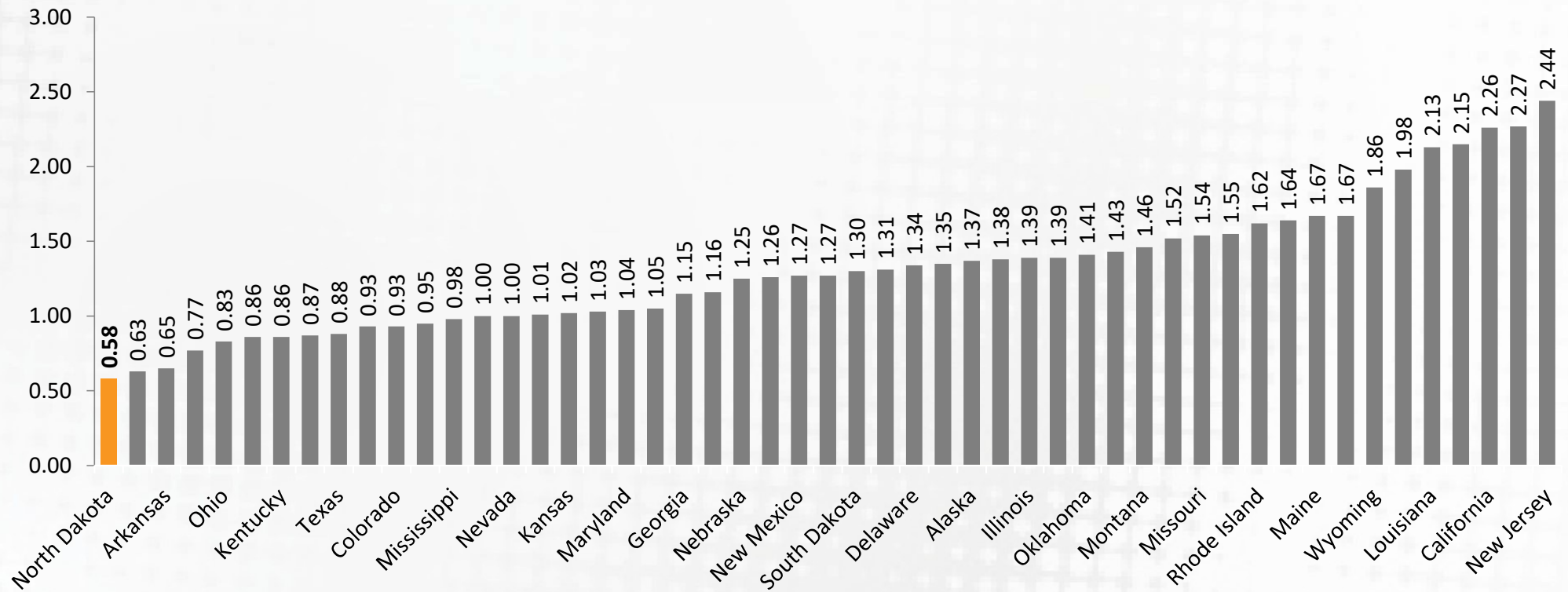


2.3 X
Higher



1.4 X
Higher

Premium Index Rate by State



Lowest → Highest

~ Source – 2022 Oregon Premium Ranking Study

Historical Workers' Compensation Benefit & Service Enhancement Legislation

2023 Legislation

- Expands coverage for preventive treatment for exposures to bloodborne pathogens to all covered occupational classifications (HB 1052)
- Extends presumption coverage to full-time paid law enforcement and paid firefighter personnel with less than 5 years of continuous service for cardiac related events that result from strenuous activity and occur within 48 hours of participating in that activity (HB 1279)

2021 Legislation

- Extends injured worker appeal timeframes from 30 to 45 days after a notice of decision or administrative order has been issued (HB 1040)
- Provides WSI a communication mode with relevant parties in the event of a deceased or incapacitated injured worker absent a signed release (HB 1084)

2019 Legislation

- Establishes case processing, tracking, and reporting requirements for Office of Administrative Hearings (HB 1064)
- Allows WSI to establish alternative dispute resolution pilot programs (HB 1073)
- Provides up to three years of disability benefits for injured workers that had disability benefits discontinued pre-retirement and a reapplication for benefits post-retirement (HB 1188)

2017 Legislation

- Provides for payments of an injured worker's attorney fees and costs at the level in which they prevailed regardless of whether the organization ultimately prevails (SB 2048)
- Establishes a civil penalty in the amount of \$5,000 for an employer who willfully makes a false statement attempting to preclude an injured worker from securing benefits (SB 2094)

Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

2015 Legislation

- Expanded eligibility for the scholarship fund to include children up through age twenty-six (HB 1102)
- Expanded the eligibility of children that can utilize the educational revolving loan fund (HB 1102)

2013 Legislation

- Provided for a study of the preferred provider program (HB 1051)
- Strengthened notification requirements for employers participating in the preferred provider program (HB 1052)
- Increased benefits for National Guard members who are injured while serving on state active duty (HB 1080)
- Expanded definition of law enforcement officer to include peace officers with the North Dakota Parks Department (SB 2134)
- Increased vehicle and vehicle adaptation allowance from \$100,000 to \$150,000 (SB 2178)

2011 Legislation

- Established a vocational rehabilitation grant program (HB 1050)
- Provided up to two years of benefits for workers injured within two years of their presumed retirement date (HB 1051)
- Reduced the threshold for percentage of whole-body impairment to qualify for a PPI award (HB 1055)
- Increased permanent partial impairment awards (multipliers) for the lower impairment levels (HB 1055)
- Expanded eligibility for the scholarship program (SB 2114)
- Increased the annual cap that the organization can award in scholarships from \$300,000 to \$500,000 (SB 2114)
- Increased the maximum scholarship amount payable per applicant from \$4,000 per year to \$10,000 per year (SB 2114)
- Streamlined the personal reimbursement process for injured workers (SB 2114)
- Expanded eligibility for the educational revolving loan fund (SB 2114)

Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

2009 Legislation

- Provided for payment of eyeglasses and other devices if an injury occurs and damages those prescriptive devices (HB 1061)
- Provided for an extension of an additional 20 weeks to the current 104-week limit for retraining programs (HB 1062)
- Increased the eligibility pool for job search benefits (HB 1062)
- Established pilot program to assess new methods of providing rehabilitation services (HB 1062)
- Established parameters of liability for medical expenses paid for treatment of unknown pre-existing conditions (HB 1063)
- Shortened eligibility period for cost of living adjustments (COLAs) for pre-1/1/06 total disability claims from 7 to 3 years (HB 1064)
- Expanded COLA eligibility for pre-1/1/06 claims to include temporary total benefit recipients (HB 1064)
- Outlined coverage parameters for emergency volunteer healthcare practitioners (HB 1073)
- Increased the maximum disability benefit from 110% to 125% of the state's average weekly wage (SAWW) (HB 1101)
- Increased lifetime cap on death benefits from \$250,000 to \$300,000 (HB 1101)
- Increased burial expense from \$6,500 to \$10,000 and one-time payments for spouses and dependent children (HB 1101)
- Increased the dependency allowance from \$10 to \$15 per week per child (HB 1101)
- Increased pre-acceptance disability benefits from the minimum benefit rate to the standard rate (HB 1101)
- Increased travel and other personal reimbursements on aggravation claims to 100% (HB 1101)
- Provided up to six months benefits for the surviving spouse of a PTD that provided home health care during disability (HB 1455)
- Provided that OAH conduct WSI hearings and that OAH's decisions are final (HB 1464)
- Provided for a study of the post-retirement benefit structure to be conducted during the interim (HB 1525)
- Provided that WSI outline reasons for disregarding a treating doctor's opinion (HB 1561)
- Resolution to study workers' compensation laws regarding pre-existing injuries (HCR 3008)
- Resolution to study injured worker access to legal representation (HCR 3013)
- Established a clear and convincing evidence standard to rebut the presumption clause (SB 2055)

Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

2009 Legislation – Continued

- Provided door to door reimbursement of mileage to attend medical appointments (SB 2056)
- Established a PPI schedule award for the partial loss of eye sight (SB 2057)
- Distinguished an independent medical exam (IME) from an independent medical record review (IMR) (SB 2058)
- Provided for attorney fees and costs for review of a claim after OIR completion (SB 2059)
- Provided for a rehab training expense for maintaining a second household or traveling more than 25 miles to school (SB 2419)
- Provided WSI make a reasonable effort to designate an IME doctor within a certain radius of worker's residence (SB 2431)
- Shortened the time period in which an injured worker can request a change of doctor (SB 2432)
- Provided that WSI notify injured workers of work search obligations (SB 2433)

2007 Legislation

- Provided funds for purchase or adaptation of motor vehicles for catastrophically injured (HB 1038)
- Provided increased post-retirement additional benefits for certain injured workers (HB 1038)
- Expanded the population that is eligible for death benefits (HB 1038)
- Shortened eligibility period for cost of living adjustments (COLAs) from seven years to three years (HB 1038)
- Expanded the eligibility pool for WSI's revolving loan fund (HB 1038)
- Provided inflation adjustment for long-term Temporary Partial Disability benefit recipients (HB 1140)
- Provided funds for the purchase or adaptation of motor vehicles for catastrophic and exceptional circumstance claims (HB 1411)
- Provided benefits for firefighters and law enforcement officers in the event of a false positive test (SB 2042)

Historical Workers' Compensation Benefit & Service Enhancement Legislation (cont.)

2005 Legislation

- Established additional safety incentives (HB 1125)
- Established ongoing funding for safety education, grant, and incentive programs (HB 1125)
- Created retraining options for injured workers (HB 1171)
- Established an injured worker educational revolving loan fund (HB 1491)
- Increased the non-dependency death award (HB 1506)
- Increased post-retirement additional benefit payments (SB 2351)

2003 Legislation

- Increased lifetime cap on death benefits from \$197,000 to \$250,000 (HB 1060)
- Established a \$50,000 home remodeling and vehicle adaptation allowance for catastrophic injured workers (HB 1060)
- Increased the maximum amounts for scholarship awards (HB 1120)

2001 Legislation

- Increased certain permanent partial impairment awards (HB 1161)

1999 Legislation

- Increased permanent partial impairment awards for the severely impaired (HB 1422)
- Increased the maximum disability benefit from 100% to 110% of the State's Average Weekly Wage (SB 2214)
- Shortened the waiting period for eligibility for cost-of-living adjustments from 10 years to 7 years (SB 2214)

1997 Legislation

- Increased weekly death benefits for surviving spouses (SB 2116)
- Created the Guardian Scholarship program (SB 2116)
- Established a post-retirement additional benefit (SB 2125)

IT Projects Timeline & Funding

	CAPS	myWSI
Program Start Date	2015	2016
Current Estimated End Date *	2031	2027
Actual Cost:	\$ 20.3M	\$ 5.4M
Release In Progress:	\$ 2.5M	\$ 1M
Total Estimated Expenditures Remaining:	\$ 14.7M	\$ 1.4M
Estimate of Total Program Cost at Completion **	\$ 37.5M	\$ 7.8M

* This estimated end date is dependent upon the detailed planning and baselines of the individual projects

** Figures as of December 2024