

## **North Carolina Workers Comp - Shocker!**

When I first read the conclusion of a study published by The Workers Compensation Research Institute (WCRI), I thought there must be a mistake. For many years, Workers Comp had been a bargain in NC when compared to other states. That result was \$42,000 paid per Workers Comp claim.

That seemed astounding to me. How can NC be the highest of all 16 states in the study? One of the drivers was medical cost. The researchers attribute the increase in costs to growth in medical payments, a longer duration of temporary disability and more frequent and higher payments for partial permanent disability.

As I have mentioned very often, the Workers Comp E-Mod system is a time-lag system. What happens today may not affect your premiums for up to 4 years. My main concern is the overall experience OF THE WHOLE MARKET for Workers Comp, in NC, will change. Your company's E-Mod may not increase that much if your competitors are all paying out more for claims.

Unless I am mistaken, this means the rates for each Workers Comp Code will increase across the board or some Class Codes are really going to feel the pain in a few months.

I was going to access the WCRI report. I do not think that is necessary as the areas of disability payments (temporary total and permanent partial) along with medical payments were increased.