

Workers' Compensation

Costs

Lancaster County self-insures for costs associated with workers' compensation and maintains a workers' compensation fund as a reserve to pay these costs. The fund is financed through allocation charges to all County departments. The fund balance is reviewed periodically to ensure fund reserves are maintained at a sufficient level.

The County department who offer temporary, modified duty as a return-to-work plan will experience lower costs to the department. Indemnity costs are always the biggest cost driver in workers' compensation.

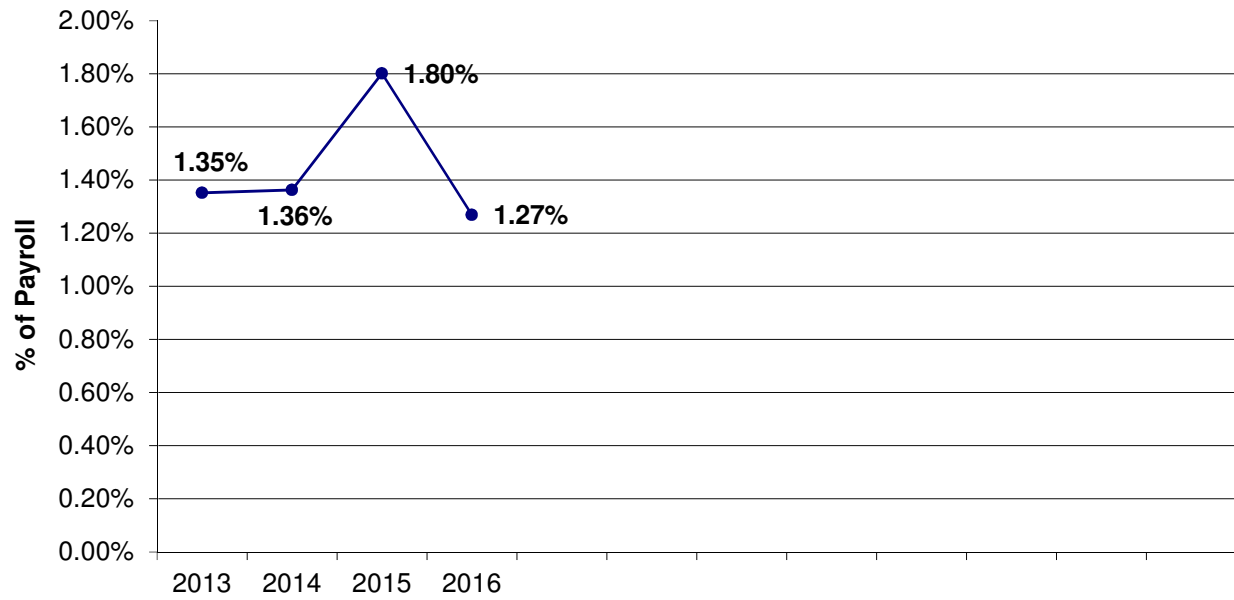
Savings

Lancaster County is able to experience a cost savings on payments to medical providers by applying the state medical fee schedule, using a prescription drug network where we get significant reductions in drug and durable medical equipment costs. We also utilize a medical case management nurse when needed to address appropriate medical treatment to the injured worker.

Actuary Analysis

Lancaster County utilizes an actuary firm. This firm analyses a ten-year claims history to determine appropriate reserve funding balances and also to provide the appropriate charges to each department for the fiscal year. The County's self-insured retention level is funded by each County Department's payment of money into our reserve account.

Trends of Workers' Compensation Costs



Workers' Compensation Costs					
Fiscal Year	Costs	Annual Payroll	% of Payroll	# of Claims	
2013	\$653,849.13	\$48,345,866.00	1.35%	69	
2014	\$684,088.86	\$50,211,559.00	1.36%	75	
2015	\$885,837.21	\$49,168,293.00	1.80%	69	
2016	\$638,275.60	\$50,281,115.00	1.27%	41	