

2020 BENCHMARKING TRENDS

2019 VERSUS 2020 BOOK OF
BUSINESS CHANGES

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BACKGROUND

IBI’s Disability and Leave Benchmarking database is the nation’s largest dataset of claims from employer-sponsored short-term disability, long-term disability, federal family and medical leave, and Workers’ Compensation benefits programs.

2020 was an extremely challenging year for our industry and overall. The pandemic created many changes in the way employees consumed (or did not consume) care, took leaves, attended work, and adjusted to our new normal. We expected this to be a very anomalous year from a data perspective, and it was. However, based on seeing some outcomes that we did not expect, we performed a deeper dive into these anomalies with our data contributors, actuaries, and industry experts.

Based on our completed investigation into the data submission for 2020, we found there were no impactful ‘errors’ in our calculations for 2020. However, there were some overlying themes we found that influenced the outcomes. These are long-existing challenges we will seek to correct for the next data submission cycle. These include:

- Lives counts coming from various/multiple systems were incorrect
- Employer counts based on claim matches were over/understated
- Our current incidence calculation methodology (done at the employer level and then averaged across vendor) is outdated
- Multiple SIC codes per employer, but only one field for average lives.... thus, depending on SIC code, lives could be under/overstated
- Industry definitions of various data fields differ by vendor (‘new claim,’ ‘active claim,’ ‘start date’ etc.

The following table broadly defines the areas in the benchmarking results potentially affected by the identified deficiencies for future correction:

Issue	Affects			
	Incidence	Condition Prevalence	Claim, Employer, Covered Lives Counts	Year over Year Comparisons
Ill-Defined Data Dictionary	Yes	Yes	Yes	Yes
No ETL Metric Controls/Reporting	Yes	Yes	Yes	Yes
IT vs Actuarial Review of Data Contribution	Yes	Yes	Yes	Yes
No Analysis of Changes in IBI Book of Business	Yes	Yes	Yes	Yes
Overly Complex/Dated Methodology	Yes	Yes	Yes	Yes
Opaque Development Process	Yes/No	Yes/No	Yes/No	Yes/No

The investigation clearly identified the need for a more transparent view into the underlying year over year changes to our book of business benchmarking data. While year over year comparisons have always been difficult due to factors such as changes in our data consortium contributing members, industry merger and acquisition activity, changes in employer groups, and changes in the underlying benchmarking measures, showing high level changes will help inform the narrative of benchmarking comparability to prior years as well as to client employer groups. Analyzing changes in select demographic, claim, and employer factors will provide additional insight to results that may be driven by data composition.

Restatements

As described above, the identified issues for future enhancement affect all areas of our benchmarking results. This includes both upward and downward pressure, depending on the issue. Without a holistic data re-collection and recalculation of results, a restatement of a subset of results could be misleading. Therefore, we are not restating the 2020 benchmarking results, but focusing our users of the benchmarking on the anomalous nature of 2020 and to use the benchmarking data in the appropriate context. Additionally, we are providing the following year over year in depth analysis of changes to the underlying benchmarking book of business data.

SHORT-TERM DISABILITY

Year-Over-Year Benchmarking Book of Business Comparisons

The all-U.S. employer level is the highest level of IBI Benchmark reporting. It covers all applicable claims, all employer groups, all Standard Industrial Codes (SIC), and all covered lives. Looking at the year over year changes at this level will allow us to identify the changes in the benchmarking book of business, while also anticipating what some of the lower level SIC reporting will show.

	2019	2020	2020 - 2019	% Change
Data Providers	13	13	-	0.0%
New	-	1	1	N/A
Departed	3	1	(2)	-66.7%
Claim Count	2,073,106	2,930,612	857,506	41.4%
Unique Employer Count	35,348	37,333	1,985	5.6%
Employer Size				
0 to 500	70.9%	81.8%	10.9%	15.4%
501 to 3000	7.9%	12.8%	4.9%	62.8%
3,001 to 20,000	2.8%	4.5%	1.7%	60.1%
20,001 to 100,000	0.4%	0.7%	0.3%	91.6%
>100,000	0.03%	0.05%	0.01%	46.3%
Not Reported	18.0%	0.1%	-17.9%	-99.2%
Covered Lives	27,427,882	33,147,410	5,719,528	20.9%
Male	39.3%	39.5%	0.2%	0.5%
Female	60.7%	60.5%	-0.2%	-0.3%
Female Age Categories				
20-29	13.6%	12.1%	-1.5%	-11.0%
30-39	29.0%	30.0%	1.0%	3.4%
40-49	16.6%	16.9%	0.3%	1.8%
50+	40.8%	41.0%	0.2%	0.5%
Male Age Categories				
20-29	8.8%	11.5%	2.6%	29.9%
30-39	17.7%	21.0%	3.4%	19.2%
40-49	20.8%	20.6%	-0.2%	-1.1%
50+	52.7%	46.9%	-5.8%	-11.0%
SIC Composition				
Agriculture, Forestry, And Fishing (SIC code A)	0.0%	0.1%	0.1%	N/A
Mining (SIC code B)	0.6%	0.3%	-0.2%	-44.9%
Construction (SIC code C)	0.8%	0.6%	-0.2%	-22.6%
Manufacturing (SIC code D)	20.4%	23.1%	2.7%	13.0%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	5.9%	7.1%	1.2%	20.5%
Wholesale Trade (SIC code F)	4.4%	5.5%	1.1%	25.8%
Retail Trade (SIC code G)	8.7%	7.5%	-1.2%	-13.9%
Finance, Insurance, And Real Estate (SIC code H)	8.9%	7.5%	-1.4%	-15.2%
Services (SIC code I)	31.5%	28.7%	-2.8%	-8.8%
Public Administration (SIC code J)	2.4%	1.7%	-0.7%	-27.9%
Not Reported	16.6%	17.9%	1.3%	7.8%

Observations

- Covered lives grew by 21% in 2020
 - The split between male & female was relatively stable year over year
 - The female group showed a marked increase in average age
 - The 20-29 age range dropped over 10% as a percentage of total females with all other age categories rising.
- Claim count grew by 41% in 2020
 - This growth came from business expansions in our contributing data consortium members book of business, finalized merger and acquisition activity, and one new contributing member.
 - One large departing member partially offset this growth.
- Unique employer counts grew by 5.6% in 2020
 - This growth primarily came from employer groups with less than 3,000 employees.
 - The percentage of smaller employer groups grew materially in 2020
 - In 2020, approximately 95% of the employer groups employed <3,000 employees.
 - In 2019, approximately 79% of the employer groups employed <3,000 employees.
- Dramatic shifting in SIC reporting categories in 2020
 - Overall, across all US employers, our underlying book of business showed heavier weighting to Manufacturing, Transportation and Wholesale Trade when looking at percentage of claims in each category.
 - It is not necessarily surprising these segments showed growth from our 2019 claim levels, as these are the same industrial classifications deemed to be essential during 2020 despite severe pandemic conditions.
 - Similar observations can be seen upon investigation of reporting employer groups by SIC hierarchy summaries individually.
 - Growth in employer group categories aligns with the increase in claims by category overall.
 - There is also pronounced growth in the smaller employee count categories.

The table above shows the percent of employer groups falling into each SIC category (SIC Composition section). The tables below, show the breakout of these employers categorized by size (defined by number of covered lives). This is an important factor to know because our current methodology for calculating incidence is based on equal weighting regardless of employer size. A year over year change in employer size mix would certainly influence results.

2019						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	20,001 to 100,000	>100,000	Grand Total
Agriculture, Forestry, And Fishing (SIC code A)	0.6%	0.7%	0.0%	0.0%	0.0%	0.6%
Mining (SIC code B)	0.5%	1.5%	0.7%	0.0%	0.0%	0.6%
Construction (SIC code C)	5.8%	1.8%	1.8%	0.0%	0.0%	5.3%
Manufacturing (SIC code D)	15.9%	24.5%	23.2%	23.2%	0.0%	17.0%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	4.3%	5.8%	6.1%	6.1%	0.0%	4.5%
Wholesale Trade (SIC code F)	8.1%	7.5%	6.1%	4.0%	0.0%	7.9%
Retail Trade (SIC code G)	6.2%	4.9%	9.3%	17.2%	16.7%	6.2%
Finance, Insurance, And Real Estate (SIC code H)	8.4%	9.2%	8.9%	7.1%	16.7%	8.5%
Services (SIC code I)	46.0%	39.4%	41.2%	36.4%	66.7%	45.1%
Public Administration (SIC code J)	4.2%	4.8%	2.6%	6.1%	0.0%	4.2%
Grand Total	100%	100%	100%	100%	100%	100.0%

2020						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	20,001 to 100,000	>100,000	Grand Total
Agriculture, Forestry, And Fishing (SIC code A)	0.5%	0.2%	0.0%	1.7%	0.0%	0.4%
Mining (SIC code B)	0.4%	1.0%	0.6%	0.0%	0.0%	0.5%
Construction (SIC code C)	5.6%	2.4%	1.5%	0.0%	0.0%	5.0%
Manufacturing (SIC code D)	16.5%	22.6%	27.2%	19.3%	0.0%	17.7%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	4.3%	5.5%	6.0%	8.2%	9.1%	4.5%
Wholesale Trade (SIC code F)	8.2%	7.7%	5.7%	3.4%	0.0%	8.0%
Retail Trade (SIC code G)	5.8%	4.9%	8.1%	12.4%	18.2%	5.9%
Finance, Insurance, And Real Estate (SIC code H)	8.7%	9.6%	10.3%	10.7%	18.2%	8.9%
Services (SIC code I)	46.1%	41.9%	37.9%	39.5%	45.5%	45.2%
Public Administration (SIC code J)	3.9%	4.2%	2.7%	4.7%	9.1%	3.9%
Grand Total	100%	100%	100%	100%	100%	100.0%

Percent Change						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	20,001 to 100,000	>100,000	Grand Total
Agriculture, Forestry, And Fishing (SIC code A)	-24.1%	-69.3%	N/A	N/A	N/A	-29.3%
Mining (SIC code B)	-14.2%	-31.4%	-14.3%	N/A	N/A	-15.1%
Construction (SIC code C)	-3.4%	30.7%	-17.8%	N/A	N/A	-5.6%
Manufacturing (SIC code D)	3.4%	-7.6%	17.1%	-16.9%	N/A	4.3%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	-1.2%	-5.2%	-1.6%	34.5%	N/A	0.1%
Wholesale Trade (SIC code F)	1.1%	2.5%	-6.9%	-15.0%	N/A	0.3%
Retail Trade (SIC code G)	-5.5%	0.0%	-12.9%	-27.5%	9.1%	-5.5%
Finance, Insurance, And Real Estate (SIC code H)	4.1%	3.8%	15.0%	51.7%	9.1%	5.3%
Services (SIC code I)	0.4%	6.4%	-8.0%	8.6%	-31.8%	0.1%
Public Administration (SIC code J)	-8.0%	-11.2%	4.4%	-22.1%	N/A	-8.0%

Condition Specific Observations

Pregnancy, Childbirth, and the Puerperium

To provide our members with the information needed to fully explain year over year variations in results, further discussion on the ICD-10 Chapter “Pregnancy, Childbirth, and the Puerperium” is needed.

STD claims related to pregnancy, childbirth, and the puerperium fall into ICD code range O00 – O9A and account for approximately 9% of all new 2020 claims. Historically, pregnancy related STD claims have been markedly higher. However, 2020 was an atypical year and while some of the reduction in rate is due to significant lifestyle disruptions, it is also partly due to changes in our underlying year over year benchmarking data and calculation methodology. For instance:

- Significant increase in employer groups with <500 employees
- Significant percentage of all employer groups with <3,000 employees
- Employer level calculations weight each group equally thus small group results can drive incidence
- Larger claim count in 2020 spreads pregnancies across a greater base. In particular, where increases in claim count may be non-pregnancy related. A small decrease in pregnancy count can result in a larger percentage decrease.
- The average age of females increased year over year. The percentage of females in the 20-29 age group fell by 11%.

It is difficult to quantify the effect of the pandemic on the lifestyle and emotional state of individuals regarding having a child. US birth rates have been on a consistent decline for a few decades, the COVID19 pandemic has intensified this trend. When comparing the last quarter of 2018 and the last quarter of 2019, birth rates declined 4.3%. Comparing the last quarter of 2019 to the last quarter of 2020, the birth rate decline doubled at 8.6%.ⁱ In 2020, this declining rate resulted in the US having the lowest birth rate since 1979, putting its fertility rate at 1.7ⁱⁱ and throwing the US into a *baby bust*.

Millennial women (the generation in prime childbearing age) were delaying having children, focusing more on education and employment opportunities. Furthermore, with the US being one of the only countries in the world without mandated maternity leaveⁱⁱⁱ, options for women are limited. Even within the private sector, only 56% of companies in the US offer maternity leave, and only 6% of those offer fully paid leave^{iv}.

During the pandemic, birth rates decreased even more due to uncertainty, job losses, reduced income, and disruption in health insurance coverages. Coupling this with the recession that Millennials were facing prior to the pandemic, and rising costs of childcare, we expect these trends to continue soon beyond the pandemic. Millennials also show more concern for climate change, adding more worry about bringing children into an uncertain world.^v

Diseases of the Digestive System

Data analysis from IBI’s 2020 Benchmarking results reveal an increase of short-term disability claims for conditions related to Diseases of the Digestive System. This ICD chapter covers condition codes K00 – K95, and includes conditions such as hernias, diseases of the appendix, gallbladder, liver, and other

intestinal diseases. The predominance of claims in IBI’s benchmarking occurred in the following three conditions and associated industries.

Condition	2020 Prevalence	Predominant Industries
Hernias	42%	<ul style="list-style-type: none"> • General Medical & Surgical Hospitals • Manufacturing • Motor Vehicles Manufacturing • Airport Transportation
Gallbladder Related Diseases	25%	<ul style="list-style-type: none"> • General Medical & Surgical Hospitals • Management Consulting Services • Medical Laboratories • Offices and Clinics of MDs (Doctor of Medicine)
Appendicitis	10%	<ul style="list-style-type: none"> • General Medical & Surgical Hospitals • Offices and Clinics of MDs (Doctor of Medicine) • Management Consulting Services • Home Health Care
All Other	23%	<ul style="list-style-type: none"> • Various

Many of the claims come from health-related industries such as hospitals, medical labs, and offices. In this industry, workers are classified as essential during the COVID19 pandemic. Workers were incredibly overworked with the healthcare system pushed to new levels of patient volumes. Additionally, working conditions led employees to delay their own medical care^{vi,vii} during the pandemic for non-emergent issues. Workers may have also delayed care due to the incredible on the job demands, until they became severe and required immediate medical attention.

The analysis becomes more interesting when considering the number of reporting employer groups and the relative size of these groups as measured by number of employees. The overall year over year trend of unique employer growth in the range of <3,000 employees is also seen in this condition category. While the percent of total remained relatively consistent year over year, there were many more employers in 2020 reporting STD claims falling into this condition category than seen in 2019. The following table summarizes this phenomenon.

Employer Size	2020		2019	
	Number of Unique Employers	Percent of Total	Number of Unique Employers	Percent of Total
0 to 500	7,088	63.09%	5,621	63.21%
501 to 3000	2,816	25.06%	2,190	24.63%
3,001 to 20,000	1,147	10.21%	947	10.65%
20,001 to 100,000	172	1.53%	124	1.39%
>100,000	12	0.11%	10	0.11%
Total	11,235	100.00%	8,892	100.00%

The 2020 growth in unique employers in this condition category (26%), in particular the growth of unique employers in the <3,000 size categories, combined with IBI's benchmarking methodology of equal weighting, can help explain some of the growth in this condition category. While large employer prevalence may have been relatively stable, the overall growth of unique employers contributed to an increased incidence rate.

LONG-TERM DISABILITY

Year-Over-Year Benchmarking Book of Business Comparisons

The all-U.S. employer level is the highest level of IBI Benchmark reporting. It covers all applicable claims, all employer groups, all Standard Industrial Codes (SIC), and all covered lives. Looking at the year over year changes at this level will allow us to identify the changes in the benchmarking book of business, while also anticipating what some of the lower level SIC reporting will show.

Measure	2019	2020	2020 - 2019	% Change
Data Providers	13	12	-1	-7.7%
New	0	0	0	N/A
Departed	1	1	0	0.0%
Claim Count	512,061	500,880	(11,181)	-2.2%
Unique Employer Count	38,113	42,502	4,389	11.5%
Employer Size				
0 to 500	45.6%	66.0%	20.4%	44.7%
501 to 3000	20.6%	15.7%	-4.8%	-23.5%
3,001 to 20,000	8.9%	4.8%	-4.1%	-45.8%
20,001 to 100,000	0.9%	0.5%	-0.4%	-43.7%
>100,000	0.09%	0.06%	-0.04%	-37.7%
Not Reported	24.0%	12.9%	-11.0%	N/A
Covered Lives	54,670,454	42,847,858	(11,822,596)	-21.6%
Male	46.3%	46.7%	0.5%	1.0%
Female	53.7%	53.3%	-0.5%	-0.9%
Female Age Categories				
20-29	4.4%	6.8%	2.4%	55.3%
30-39	15.9%	14.3%	-1.7%	-10.5%
40-49	25.8%	24.4%	-1.4%	-5.3%
50+	53.9%	54.6%	0.6%	1.2%
Male Age Categories				
20-29	2.7%	4.2%	1.5%	57.6%
30-39	10.3%	10.2%	-0.1%	-0.6%
40-49	23.4%	23.4%	0.0%	-0.1%
50+	63.7%	62.2%	-1.4%	-2.3%
SIC Composition				
Agriculture, Forestry, And Fishing (SIC code A)	0.0%	0.0%	0.0%	N/A
Mining (SIC code B)	0.9%	0.8%	-0.2%	-19.3%
Construction (SIC code C)	1.0%	0.9%	-0.1%	-8.0%
Manufacturing (SIC code D)	17.6%	17.3%	-0.3%	-1.6%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	6.4%	8.9%	2.6%	40.1%
Wholesale Trade (SIC code F)	4.3%	4.9%	0.6%	12.8%
Retail Trade (SIC code G)	9.2%	10.4%	1.2%	13.5%
Finance, Insurance, And Real Estate (SIC code H)	8.0%	13.1%	5.1%	64.1%
Services (SIC code I)	30.4%	24.3%	-6.1%	-20.1%
Public Administration (SIC code J)	5.4%	2.9%	-2.5%	-46.3%
Not Reported	16.9%	16.6%	-0.3%	-2.0%

Observations

- There was one less data contributor in 2020 than in 2019.
 - This contributed to changes in covered lives, unique employer count, and claim count.
 - The reduction was mostly offset by increasing submissions across the other data contributors. In particular, we saw an increase in overall unique employer count.
 - Employer groups employing <500 employees grew by approximately 45%.
- Covered lives fell by almost 22% in 2020
 - The split between male & female was relatively stable year over year
 - Female and Male shifts in age classification categories from 2019 to 2020
 - The 20-29 age range for females grew from 4% to almost 7% representing a 55% percent change in the category.
 - Similarly, the 20-29 age range for males grew from approximately 3% to just over 4% representing a 57% growth in the category.
- Unique Employer Count rose by approximately 11%
 - This rise in Employer Count was in <500 employee's category.
 - All other employer size categories declined year over year.
- Claim Count dropped by approximately 2% year over year.
 - The loss of a data contributor was offset by expansion in the remaining contributor's book of business.
- Similar overall shifting in SIC classification codes as seen in STD claims.
 - Essential worker classifications grew year over year.
 - Finance and Insurance showed a relatively large year over year gain; however, overall LTD claim count is much smaller than that of STD therefore, the magnitude of the change is accentuated.
 - Despite showing a decline as a percentage of overall STD claims, the claim count in this category rose year over year.
 - As these claims converted to LTD, the increase was spread across a smaller base of overall claims.
- Additional insights can be drawn when looking at the employer size categorization across SIC categories.

The following set of tables represent the employer size percentage breakout of the overall SIC categorical reporting shown above.

2019						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	1 to 100,000	>100,000	Grand Total
Mining (SIC code B)	0.8%	1.2%	1.1%	0.5%	1.2%	1.0%
Construction (SIC code C)	4.2%	1.4%	0.9%	0.0%	3.2%	3.0%
Manufacturing (SIC code D)	18.8%	22.1%	19.9%	17.6%	25.0%	19.8%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	4.6%	5.8%	6.9%	10.5%	6.4%	5.2%
Wholesale Trade (SIC code F)	7.1%	5.6%	5.5%	3.3%	6.9%	6.5%
Retail Trade (SIC code G)	4.5%	4.4%	7.2%	10.5%	5.8%	4.9%
Finance, Insurance, And Real Estate (SIC code H)	9.2%	9.6%	10.6%	11.4%	9.8%	9.5%
Services (SIC code I)	43.2%	43.3%	42.9%	39.5%	37.9%	43.2%
Public Administration (SIC code J)	7.5%	6.5%	4.9%	6.7%	3.8%	6.9%
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

2020						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	1 to 100,000	>100,000	Grand Total
Mining (SIC code B)	0.6%	0.8%	0.8%	0.0%	0.0%	0.7%
Construction (SIC code C)	3.4%	1.4%	0.9%	0.0%	0.0%	2.9%
Manufacturing (SIC code D)	18.9%	19.3%	20.5%	15.5%	12.0%	19.0%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	5.0%	5.5%	8.5%	13.5%	4.0%	5.3%
Wholesale Trade (SIC code F)	10.1%	7.6%	6.9%	3.5%	16.0%	9.4%
Retail Trade (SIC code G)	6.6%	8.8%	10.5%	14.0%	28.0%	7.3%
Finance, Insurance, And Real Estate (SIC code H)	16.3%	19.2%	17.5%	16.5%	16.0%	16.9%
Services (SIC code I)	33.8%	34.3%	32.2%	33.0%	16.0%	33.8%
Public Administration (SIC code J)	5.2%	3.1%	2.2%	4.0%	8.0%	4.6%
Grand Total	100%	100%	100%	100%	100%	100.0%

Percent Change						
Employer Size						
SIC Summary Level	0 to 500	501 to 3000	3,001 to 20,000	1 to 100,000	>100,000	Grand Total
Mining (SIC code B)	-24.0%	-31.3%	-27.9%	-100.0%	-100.0%	-30.5%
Construction (SIC code C)	-19.9%	-4.6%	2.3%	N/A	-100.0%	-5.6%
Manufacturing (SIC code D)	0.5%	-12.6%	2.7%	-12.0%	-52.1%	-3.9%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	9.1%	-4.3%	24.2%	28.9%	-37.4%	1.9%
Wholesale Trade (SIC code F)	42.4%	35.2%	25.0%	5.0%	131.6%	45.9%
Retail Trade (SIC code G)	46.2%	99.4%	46.2%	33.6%	386.1%	49.5%
Finance, Insurance, And Real Estate (SIC code H)	77.2%	98.8%	64.8%	44.4%	63.6%	77.5%
Services (SIC code I)	-21.7%	-20.9%	-25.1%	-16.5%	-57.8%	-21.7%
Public Administration (SIC code J)	-30.9%	-52.2%	-55.5%	-40.0%	109.0%	-32.9%

WORKERS COMPENSATION

Year-Over-Year Benchmarking Book of Business Comparisons

IBI's 2020 Workers Compensation benchmarking, like other products, was significantly impacted by workforce and environmental factors related to the Covid-19 pandemic. The opportunities for enhancement are different regarding Workers Compensation than with Short Term and Long-Term Disability claims. Workers Compensation claims are generally held and submitted from a single data source. Therefore, there is negligible risk due to pulling data from disparate sources, not being able to match lives to claims, and differences in interpretations. However, the year over year impact due to the pandemic may be more significant based on individual State differences in qualification criteria, the variability in how Covid related claims were classified, and the general lack of consistency in applying program qualifications.

The following tables summarize the pertinent year over year differences in the 2020 Workers Compensation benchmarking.

	2019	2020	2020 - 2019	% Change
Data Providers	5	4	(1)	-20.0%
New	-	0	-	N/A
Departed	-	1	1	N/A
Claim Count	4,114,493	3,677,701	(436,792)	-10.6%
Female	1,812,793	1,684,552	(128,241)	-7.1%
Female Percent of Total	44.6%	46.3%	1.7%	3.9%
Female Age Categories				
20-29	25.0%	20.9%	-4.1%	-16.6%
30-39	20.9%	21.6%	0.7%	3.2%
40-49	20.6%	19.4%	-1.2%	-5.8%
50+	33.5%	38.1%	4.7%	14.0%
Male	2,253,763	1,953,805	(299,958)	-13.3%
Male Percent of Total	55.4%	53.7%	-1.7%	-3.1%
Male Age Categories				
20-29	25.4%	20.7%	-4.8%	-18.8%
30-39	23.6%	23.7%	0.2%	0.8%
40-49	20.9%	19.9%	-1.0%	-4.6%
50+	30.1%	35.7%	5.6%	18.5%
SIC Composition by Claim Count				
Agriculture, Forestry, And Fishing (SIC code A)	1.5%	3.1%	1.7%	113.9%
Mining (SIC code B)	0.5%	0.5%	0.1%	14.5%
Construction (SIC code C)	2.1%	1.6%	-0.5%	-22.2%
Manufacturing (SIC code D)	14.3%	13.6%	-0.7%	-5.1%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	11.1%	11.5%	0.4%	3.2%
Wholesale Trade (SIC code F)	5.7%	5.7%	0.0%	-0.2%
Retail Trade (SIC code G)	22.5%	19.3%	-3.2%	-14.1%
Finance, Insurance, And Real Estate (SIC code H)	4.5%	4.9%	0.4%	8.8%
Services (SIC code I)	34.7%	35.1%	0.5%	1.3%
Public Administration (SIC code J)	3.1%	4.5%	1.4%	45.4%

Because Workers Compensation is state specific, it is pertinent to view year over year changes by state. In particular, with the variability in 2020 with how individual states treated and classified cases related to Covid. The following table displays changes by state.

State	2020	2019	Percent Change
Alabama	1.0%	1.1%	-2.8%
Alaska	0.2%	0.3%	-3.8%
Arizona	2.0%	2.2%	-9.5%
Arkansas	0.6%	0.7%	-10.4%
California	18.9%	17.6%	7.5%
Colorado	3.1%	2.7%	13.6%
Connecticut	1.2%	1.4%	-14.5%
Delaware	0.3%	0.3%	-3.6%
Florida	7.2%	6.9%	4.4%
Georgia	3.0%	3.1%	-4.6%
Hawaii	0.3%	0.4%	-24.9%
Idaho	0.5%	0.6%	-3.6%
Illinois	3.9%	4.2%	-6.7%
Indiana	2.2%	2.3%	-3.4%
Iowa	0.9%	1.1%	-15.3%
Kansas	1.0%	1.0%	-5.5%
Kentucky	1.3%	1.6%	-16.8%
Louisiana	1.2%	1.0%	16.3%
Maine	0.3%	0.3%	-9.2%
Maryland	1.6%	1.7%	-4.3%
Massachusetts	1.8%	1.9%	-8.3%
Michigan	2.7%	2.8%	-5.7%
Minnesota	1.7%	1.7%	-1.1%
Mississippi	0.7%	0.8%	-1.8%
Missouri	1.6%	1.8%	-9.8%
Montana	0.3%	0.4%	-25.7%
Nebraska	0.6%	0.9%	-31.4%
Nevada	1.4%	1.3%	2.0%
New Hampshire	0.4%	0.4%	4.7%
New Jersey	2.3%	2.6%	-13.0%
New Mexico	0.6%	0.5%	9.4%
New York	5.5%	4.2%	30.9%
North Carolina	2.9%	2.8%	0.4%
North Dakota	0.0%	0.0%	54.9%
Ohio	1.3%	1.6%	-21.2%
Oklahoma	1.0%	1.1%	-14.0%
Oregon	1.8%	1.6%	12.7%
Pennsylvania	4.2%	4.3%	-4.2%

Rhode Island	0.2%	0.2%	-14.8%
South Carolina	1.4%	1.5%	-5.8%
South Dakota	0.2%	0.2%	-9.9%
Tennessee	2.6%	2.8%	-5.6%
Texas	6.8%	6.7%	1.4%
Utah	1.0%	1.1%	-12.6%
Vermont	0.2%	0.2%	-3.5%
Virginia	2.1%	2.3%	-9.0%
Washington	2.2%	1.5%	45.7%
West Virginia	0.4%	0.4%	-16.8%
Wisconsin	1.5%	1.7%	-8.7%
Wyoming	0.0%	0.0%	8.0%

FAMILY AND MEDICAL LEAVE

Year-Over-Year Benchmarking Book of Business Comparisons

Family Medical Leave benchmarking results are similarly affected by areas previously identified as sources of risk as well as conditions related to Covid-19. FML metrics are shown as a result of employer level calculations, dependent on accurate covered lives counts, and potential variability due to nuances in interpretation. A similar analysis of high-level metrics will facilitate a better understanding of result variability due to changes in the underlying benchmarking book of business.

The following table summarizes these differences.

	2019	2020	2020 - 2019	% Change
Data Providers	7	5	(2)	-28.6%
New	1	1	-	N/A
Departed	3	3	-	N/A
Claim Count	2,017,362	3,441,685	1,424,323	70.6%
Unique Employer Count	2,419	2,387	(32)	-1.3%
Employer Size				
0 to 500	12.2%	18.4%	6.2%	51.0%
501 to 3000	35.1%	38.6%	3.5%	10.0%
3,001 to 20,000	25.0%	26.1%	1.1%	4.4%
20,001 to 100,000	3.0%	3.7%	0.7%	25.2%
>100,000	0.21%	0.46%	0.25%	122.8%
Not Reported	24.5%	12.7%	-11.8%	-48.3%
Covered Lives	9,154,182	11,053,459	1,899,277	20.7%
Female	1,296,822	2,113,321	816,499	63.0%
Female Percent of Total	64.3%	63.2%	-1.1%	-1.6%
Female Age Categories				
20-29	17.4%	16.8%	-0.6%	-3.2%
30-39	31.9%	33.2%	1.2%	3.8%
40-49	20.3%	19.7%	-0.7%	-3.2%
50+	30.4%	30.4%	0.0%	0.0%
Male	720,385	1,228,579	508,194	70.5%
Male Percent of Total	35.7%	36.8%	1.1%	2.9%
Male Age Categories				
20-29	13.6%	14.8%	1.2%	8.8%
30-39	29.0%	32.8%	3.8%	13.0%
40-49	21.4%	20.5%	-0.9%	-4.2%
50+	36.0%	31.9%	-4.1%	-11.3%
SIC Composition by Claim Count				
Agriculture, Forestry, And Fishing (SIC code A)	0.2%	0.0%	-0.2%	-100.0%
Mining (SIC code B)	0.5%	0.3%	-0.2%	-37.5%
Construction (SIC code C)	0.2%	0.2%	-0.1%	-22.7%
Manufacturing (SIC code D)	22.3%	25.6%	3.3%	15.0%
Transportation, Communications, Electric, Gas, And Sanitary Services (SIC code E)	9.9%	9.7%	-0.3%	-2.7%
Wholesale Trade (SIC code F)	5.2%	3.1%	-2.1%	-40.5%
Retail Trade (SIC code G)	8.1%	17.1%	9.0%	110.4%
Finance, Insurance, And Real Estate (SIC code H)	13.2%	8.1%	-5.1%	-38.7%
Services (SIC code I)	38.8%	34.6%	-4.2%	-10.8%
Public Administration (SIC code J)	1.4%	1.3%	-0.2%	-12.1%

Observations

- The mix of data providers was materially different in 2020 than it was in 2019
 - Three data providers departed, and one new vendor was added
- Claim counts grew in 2020 when compared to 2019
 - Percentage increases occurred in each employer size category, however, when looking at the underlying numerical growth, by far the largest increase in employer size groups occurred in employers with <3,000 employees
 - This remains significant due to employer level calculations utilizing equal weighting across all employer size groups
 - The percent of females remained above 64% in 2020, however it did drop on a year over year basis by 1.6%.
- Significant shifting in percentage of claims attributable to SIC summary categories
 - Retail Trade and Manufacturing saw relatively large increases while other categories contracted.

Conclusion

2020 represented a year like few of us have ever experienced. The expected variability of the benchmarking results presented an opportunity to better serve our members by dissecting the results and categorizing the changes into book of business composition changes and changes in claim experience. We will continue doing this analysis as we ingest new benchmarking data to provide members with information to better inform our results.

i <https://www.brookings.edu/blog/up-front/2021/05/05/the-coming-covid-19-baby-bust-is-here/>

ii <https://www.bbc.com/news/world-us-canada-57003722>

iii <https://www.forbes.com/sites/niallmccarthy/2021/05/31/the-us-remains-light-years-behind-the-rest-of-the-world-in-maternity-leave-infographic/?sh=2ee4dfcb6de3>

iv <https://www.theguardian.com/commentisfree/2018/may/21/hat-looks-good-slug-birth-rates-us-falling-reasons-why-family-policies>

v <https://www.pewresearch.org/fact-tank/2021/11/19/growing-share-of-childless-adults-in-u-s-dont-expect-to-ever-have-children/>

vi <https://www.npr.org/sections/health-shots/2021/10/14/1043414558/with-hospitals-crowded-from-covid-1-in-5-american-families-delays-health-care>

vii <https://www.cdc.gov/mmwr/volumes/69/wr/mm6936a4.htm>