

An Overview of COVID-19 Claims in the Texas Workers' Compensation System



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Workers' Compensation
Research &
Evaluation Group

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Division of Workers' Compensation

Under Chapter 405 of the Texas Labor Code, the Workers' Compensation Research and Evaluation Group at the Texas Department of Insurance, Division of Workers' Compensation (DWC) is responsible for conducting professional studies and research on various system issues, including:

- the delivery of benefits;
- litigation and controversy related to workers' compensation;
- insurance rates and rate-making procedures;
- rehabilitation and reemployment of injured employees;
- the quality and cost of medical benefits;
- employer participation in the workers' compensation system;
- employment health and safety issues; and
- other matters relevant to the cost, quality, and operational effectiveness of the workers' compensation system.

This report is available at www.tdi.texas.gov/wc/reg.

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Hari Luintel managed the project, conducted the analyses, interpreted the results, and authored the report. Botao Shi provided the overall guidance and valuable feedback in preparing this report. Congying Sun provided support in analyzing data and Conrado Garza provided valuable editorial supports.

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Introduction

The emergence of COVID-19 in early 2020 has affected business operations and created new concerns about liability for COVID-19 workers' compensation claims. Due to these concerns, oversight of COVID-19 claims became crucial for the Texas Division of Workers' Compensation (DWC) to better understand the impact of COVID-19 on the state's workers' compensation system.

This report provides ongoing information on COVID-19 claims, including a breakdown of claims by reported month, claimants' demographics, residence/location, occupation, industry, and insurance carrier. It also provides statistics on claims that insurance carriers received, accepted, or denied, as well as indemnity or medical benefits paid on claims.

Data and Methods

Data presented in this report were collected from different sources, including DWC administrative claim data, the COVID-19 data call for insurance carriers, and Texas Department of State Health Services (DSHS) data.¹

Administrative claim data reported to DWC by insurance carriers with an injury date on or after the declaration of the COVID-19 emergency i.e., March 13, 2020, were included in this report.

DSHS data was used to identify the 10 Texas counties most affected by COVID-19. This data helped compare COVID-19 cases and COVID-19 workers' compensation claims across these 10 counties.

Key Findings

COVID-19 claims: As of early August 2022, insurance carriers reported more than 90,000 COVID-19 claims and 459 fatalities to DWC.

COVID-19 claims with positive test/diagnosis and their disposition: More than two thirds of COVID-19 claims (68%) involved injured employees who tested positive or were diagnosed with COVID-19. Among the positive test or diagnosis claims, insurance carriers accepted more than half (59%), denied less than half (39%), and are still investigating 2% of the claims. Despite more than 22,000 denials of COVID-19 claims with positive tests or diagnoses, only 207 disputes were filed with DWC.

COVID-19 claims with benefits paid: During the pandemic, slightly more than one third of COVID-19 claims (35%) had medical, indemnity, or both types of benefit payments associated with them. A total of \$121.6 million was paid on COVID-19 claims, of which 64% were indemnity benefits and 36% were medical benefits.

COVID-19 claimants' access to medical services: The median number of days from the date of injury to the first medical service was seven days (mean: 11.2 days). More than half of the claimants received medical services on the same day or within one week of injury (54%), and four out of five (80%) of claimants received their first medical service within two weeks of injury.

Reprocessed COVID-19 claims: A total of 178 first responders filed PLN-15s to reprocess their claims in accordance with Senate Bill 22. This represents only 1% of claims that were eligible to be reprocessed, despite a significant effort from DWC and stakeholders to educate eligible first responders. Nearly two-thirds of these PLN-15s were accepted by insurance carriers (62%) and slightly more than one-third were again denied (38%).

¹ The statistics presented in this report will change over time as claims continue to mature and more data becomes available.

The COVID-19 data call with 74 selected insurance carriers was used to gather more detailed information about the number of workers' compensation claims that resulted in a positive test or diagnosis and the disposition of those claims (accepted, denied, or under investigation).²

Results and Findings

COVID-19 Claim Frequency

Since the declaration of the COVID-19 emergency (March 13, 2020), insurance carriers reported 90,330 COVID-19 claims to DWC, including 459 (<1%) fatal claims. Although COVID-19 caused a brief shutdown for some jobs and moved others to remote work, the total number of workers' compensation claims reported to DWC during the pandemic was 24% higher than the overall reportable claims³ made during the 28 months just before the pandemic (November 2017 through February 2020). The increase in COVID-19 claims reported during the pandemic has temporarily interrupted a 20-year trend in Texas of fewer workers' compensation claims reported each year. Since new claims are still being reported, these statistics may change over time.⁴

COVID-19 claims reported during the pandemic are broken down by month, county, gender, age, occupation, industry, and insurance carrier.

Claims by Month

The greatest number of COVID-19 cases in Texas were reported in January 2022, followed by January 2021, December 2020, August 2021, and September 2021. As Figure 1 shows, half of all COVID-19 cases in Texas were reported during these five months of the pandemic.

Similarly, the greatest number of COVID-19 claims in the Texas workers' compensation system were reported in January 2022, followed by July 2020, December 2020, January 2021, and August 2021. Less than half of the claims (42%) were reported in these five months of the pandemic.

² Selected insurance carriers are those that had 84-90% of reportable claims and 90-93% of occupational diseases in 2017, 2018, 2019, and 2020 in Texas. DWC's data call submissions by selected insurance carriers as of June 30, 2022, are used in this report. DWC added several large school districts and one intergovernmental risk pool to the list of selected insurance carriers for the data call as of December 2020 and onward. See www.tdi.texas.gov/wc/reg/datacall.html for more information about the data call, including the list of selected insurance carriers and data call instructions.

³ Reportable injuries with at least one day of lost time, occupational disease, or fatality, based upon the date of injury.

⁴ The 87th Texas Legislature passed Senate Bill 22 (effective on June 14, 2021), which created a statutory presumption for COVID-19 claims involving most first responders, detention officers, and custodial officers. The bill also allows injured employees or beneficiaries to request their previously denied claims be reprocessed under the new presumption and allows new COVID-19 claims to be filed for infections that occurred before June 14, 2021.

Figure 1. Monthly Trends of COVID-19 Cases in Texas and COVID-19 Claims in the Texas Workers' Compensation System

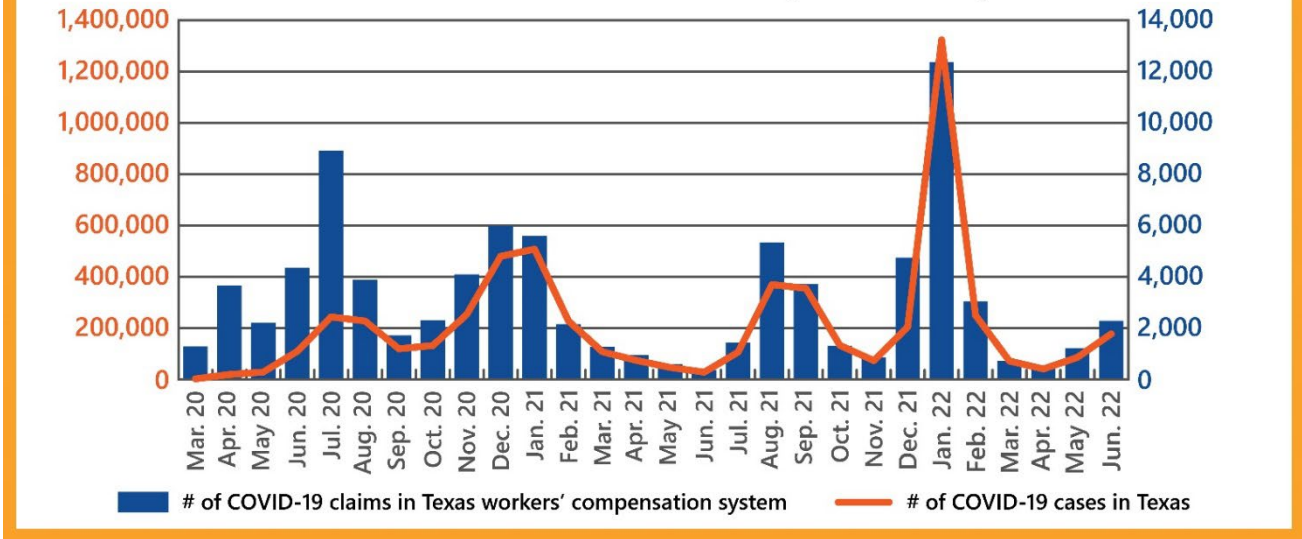
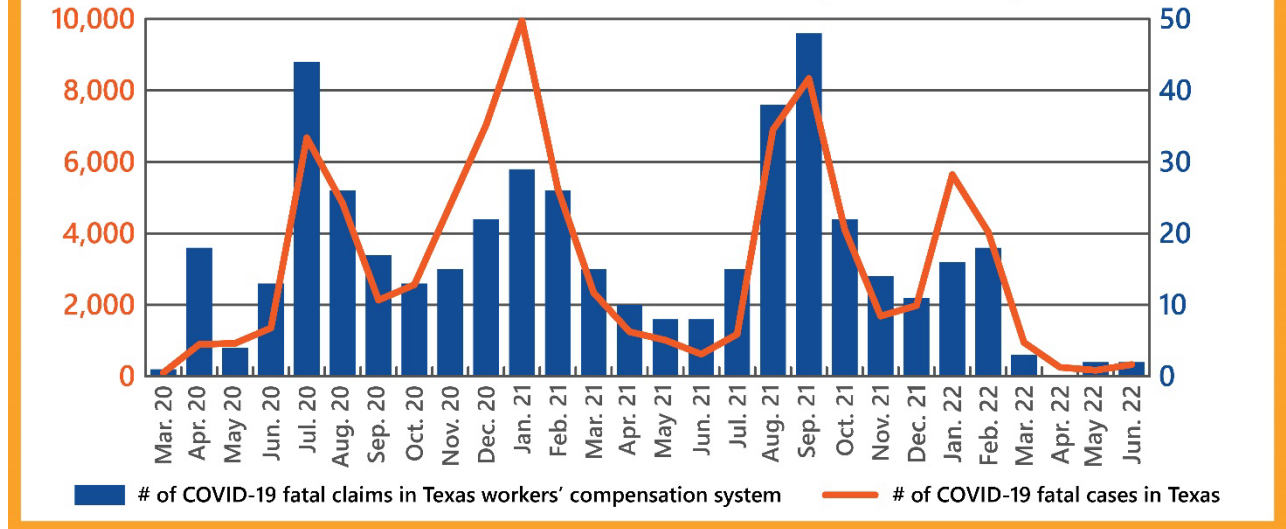


Figure 2 shows the number of COVID-19 fatalities in Texas each month. The greatest number of COVID-19 fatal cases in Texas were reported in January 2021, followed by September 2021, December 2020, August 2021, and July 2020. Nearly half of the fatal cases (44%) were reported in these five months of the pandemic. Similarly, the greatest reported number of COVID-19 fatal claims in the Texas workers' compensation system was in September 2021, followed by July 2020, August 2021, January 2021, and August 2020. Two out of five fatal claims (40%) were reported during those months.

Figure 2. Monthly Trends of COVID-19 Fatal Cases in Texas and COVID-19 Fatal Claims in the Texas Workers' Compensation System



Claims Concentration by County

Most the state's COVID-19 cases (62%) and COVID-19 fatal cases (56%) were concentrated in 10 counties (Table 1). Most the state's COVID-19 workers' compensation claims (56%) were also concentrated in these same 10 counties. However, less than half (41%) of the COVID-19 fatal claims were reported in these counties, indicating a lower proportion of deaths among COVID-19 claimants in these counties.

Table 1. Distribution of COVID-19 Cases (including fatal cases) and COVID-19 Workers' Compensation Claims (including fatal claims) in 10 Highly-Affected Texas Counties

County	COVID-19 Cases in Texas		COVID-19 Claims in Texas WC System		COVID-19 Fatal Cases in Texas		COVID-19 Fatal Claims in Texas WC System	
	Number	%	Number	%	Number	%	Number	%
Harris	1,099,720	18%	16,073	19%	16,535	18%	60	13%
Dallas	532,038	9%	5,729	7%	5,946	7%	21	5%
Bexar	525,089	9%	4,029	5%	4,208	5%	27	6%
Tarrant	494,816	8%	6,958	8%	7,221	8%	27	6%
Travis	236,086	4%	3,155	4%	3,421	4%	5	1%
El Paso	215,656	4%	2,649	3%	2,862	3%	7	2%
Fort Bend	192,545	3%	3,240	4%	3,349	4%	12	3%
Collin	179,349	3%	2,027	2%	2,144	2%	5	1%
Hidalgo	158,573	3%	2,234	3%	2,318	3%	18	4%
Denton	143,623	2%	2,439	3%	2,587	3%	8	2%
Total of 10 Counties	3,777,495	62%	48,533	56%	50,591	56%	190	41%

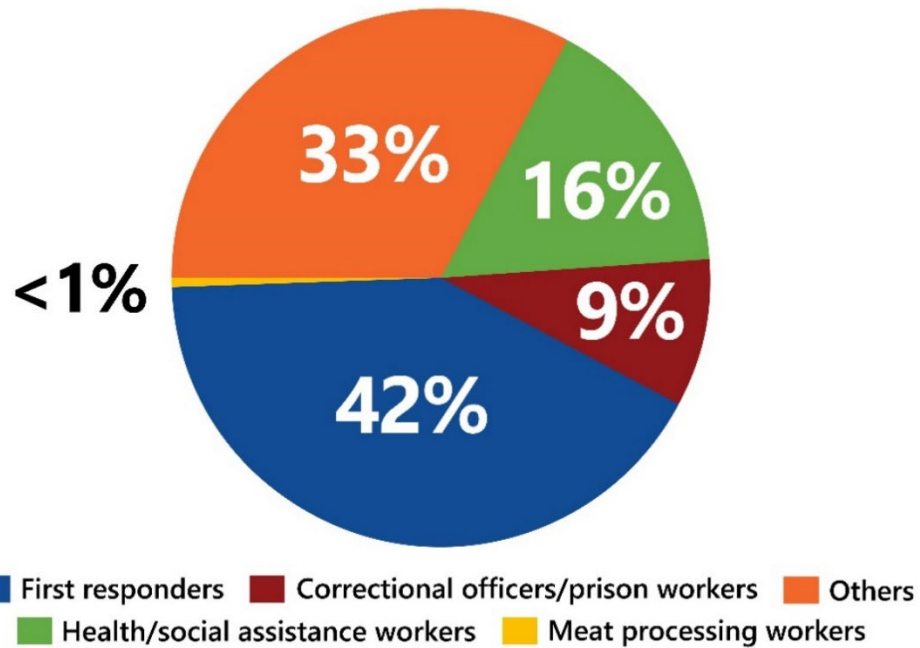
Claims by Gender and Age

Among injured employees, nearly two thirds of COVID-19 claims (62%) and four out of five COVID-19 fatal claims (80%) were male. Claimants who were less than 50 years of age filed more than three-quarters of the COVID-19 claims (79%). However, injured employees who were 50 or more years of age made up more than two thirds of COVID-19 fatal claims (68%).

Claims by Occupation

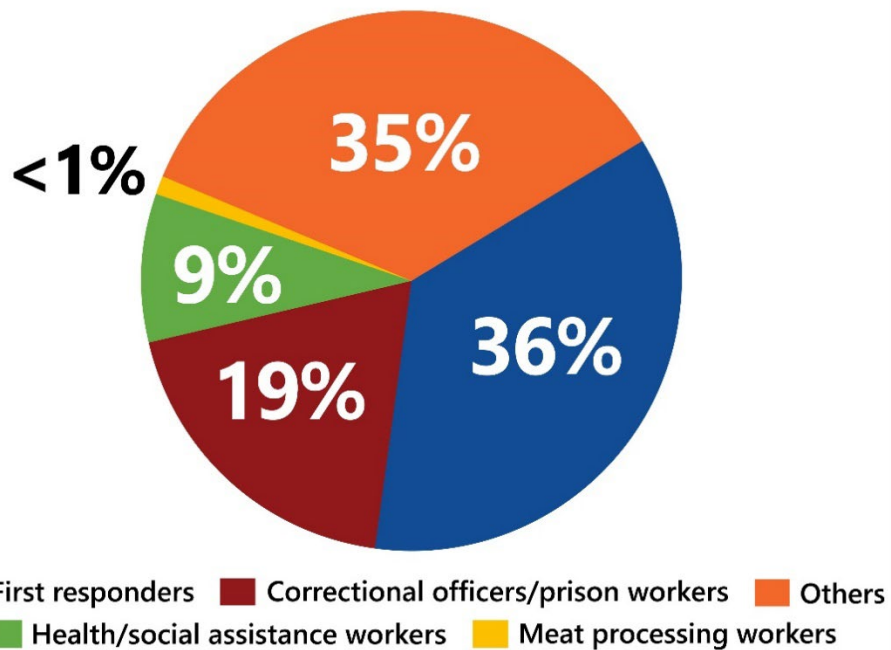
More than half of COVID-19 claims (51%) and COVID-19 fatal claims (55%) involved first responders and correctional officers (Figure 3 and Figure 4). These statistics indicate that the proportion of first responder and correctional officer COVID-19 fatal claims were higher than that of the proportion of COVID-19 claims. On the contrary, a lower proportion of health/social assistance workers had COVID-19 fatal claims (9%) than COVID-19 claims (16%).

Figure 3. COVID-19 Claims by Occupation



Note: Due to rounding, percentages may not add to 100.

Figure 4. COVID-19 Fatal Claims by Occupation



Note: Due to rounding, percentages may not add to 100.

Claims by Industry

Table 2 provides a breakdown of COVID-19 claims by industry sector.⁵ The public administration sector, which includes first responders and correctional officers/prison workers, represented slightly more than half (52%) of COVID-19 claims, followed by health care and social assistance (17%), and administrative and support and waste management and remediation (8%). A similar trend was observed for COVID-19 fatal claims in these industries. However, proportions of COVID-19 fatal claims were higher for public administration and lower for the health care and social assistance, administrative and support, and waste management and remediation service industries than the proportions of COVID-19 claims.

Table 2. COVID-19 Claims and COVID-19 Fatal Claims by Industry

Industry	# of Claims	% of Claims	# of Fatal Claims	% of Fatal Claims
Public administration	46,861	52%	256	56%
Health care and social assistance	15,330	17%	45	10%
Administrative and support and waste management and remediation services	16,535	8%	24	5%
Manufacturing	7,171	6%	19	4%
Retail trade	5,584	4%	12	3%
Education services	3,166	3%	20	4%
Accommodation and food services	2,411	2%	8	2%
Transportation and warehousing	1,844	2%	12	3%
All other industries	5,824	6%	63	14%
Total	90,330	100%	459	100%

Note: "All other industries" includes agriculture/forestry/fishing/hunting, arts/entertainment/recreation, construction, finance/insurance, information, management of companies and enterprises, mining/quarrying/oil and gas extraction, other services (except public administration), professional/scientific/technical services, real estate/rental/leasing, utilities, and wholesale trade. Due to rounding, percentages may not add to 100.

Claims by Insurance Carrier

More than half of the COVID-19 claims (56%) were processed by the State of Texas and its political subdivisions acting as insurance carriers (Figure 5). These insurance carriers processed 61% of COVID-19 fatal claims (Figure 6).

⁵ Industry sectors were identified using two-digit North American Industry Classification System (NAICS) codes.

Figure 5. COVID-19 Claims by Types of Insurance Carrier

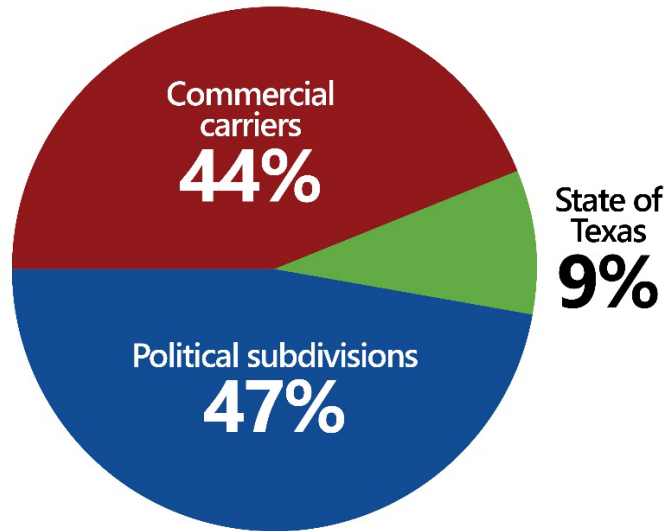
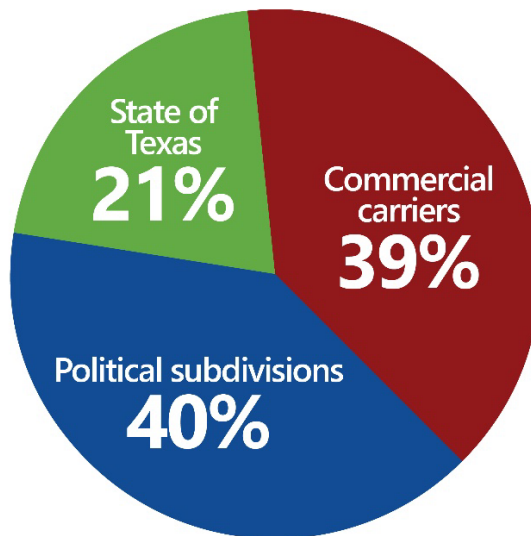


Figure 6. COVID-19 Fatal Claims by Types of Insurance Carrier



Note: "State of Texas" includes the State Office of Risk Management, the University of Texas System, the Texas A&M University System, and the Texas Department of Transportation. "Commercial carriers" includes licensed insurance companies and certified self-insured employers. Sixteen claims did not include information about the insurance carrier.

COVID-19 Claims Disposition

The results of the data call for claims reported to insurers showed that 68% of COVID-19 claims involved an injured employee who tested positive or was diagnosed with COVID-19 (Table 3). Among these positive test claims, more than half (59%) were accepted as work-related by insurance carriers, less than half (39%) were denied, and 2% were still under investigation. These statistics vary across types of insurance carriers. Commercial carriers reported the highest number (18,358) and rate (74%) of COVID-19 denials. Despite more than 22,000 denied COVID-19 claims, there were only 207 claim disputes filed with DWC.

Table 3. COVID-19 Claims, Positive Test Claims, and Claim Disposition

Insurance Carriers	# of Claims Reported to Insurance Carriers	# of Claims with a Positive Test or Diagnosis (%)	# of Positive Test Claims Accepted by Insurance Carriers (%)	# of Positive Test Claims Denied by Insurance Carriers (%)	# of Positive Test Claims Still Under Investigation (%)
Commercial carriers	35,515	24,889 (70%)	5,890 (24%)	18,358 (74%)	642 (3%)
Political subdivisions	39,572	29,486 (74%)	26,279 (89%)	2,873 (10%)	316 (1%)
State of Texas	8,736	2,890 (33%)	1,620 (56%)	1,258 (44%)	12 (<1%)
All carriers total	83,823	57,247 (68%)	33,789 (59%)	22,489 (39%)	970 (2%)

Source: DWC COVID-19 data call submission through June 30, 2022.

Notes: "State of Texas" includes the State Office of Risk Management, the University of Texas System, the Texas A&M University System, and the Texas Department of Transportation. "Commercial carriers" includes licensed insurance companies and certified self-insured employers. Due to rounding, percentages of positive test claims accepted, denied, and under investigation may not add to 100.

COVID-19 Claims Benefits Paid

Among claims reported to insurance carriers from March 13, 2020, through June 30, 2022, slightly more than one third (35%) received medical, indemnity, or both types of benefits, and nearly two thirds (65%) of the claims did not receive any benefits (Table 4).

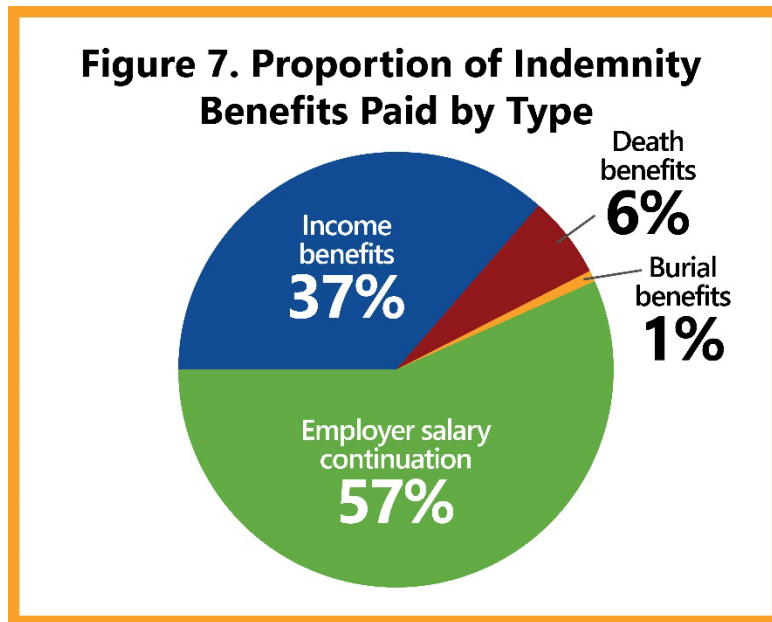
Table 4. COVID-19 Claims Based on Benefit Types

Claims Based on Benefit Type	# of Claims	% of Claims
Claims for only medical benefits	4,530	5%
Claims for only indemnity benefits	20,455	24%
Claims for both medical and indemnity benefits	5,082	6%
Claims that did not receive any benefits	56,924	65%
Total	86,991	100%

A total of \$121.6 million was paid as medical, income, death, or burial benefits for these COVID-19 claims. Most of these payments were indemnity benefits (64%) and slightly more than one-third were medical benefits (36%). A breakdown of indemnity and medical benefits data is presented in the following sections. Note that death benefit payments are not a lump sum but are paid out monthly in accordance with Texas Labor Code § 408.181.

Indemnity Benefits Paid

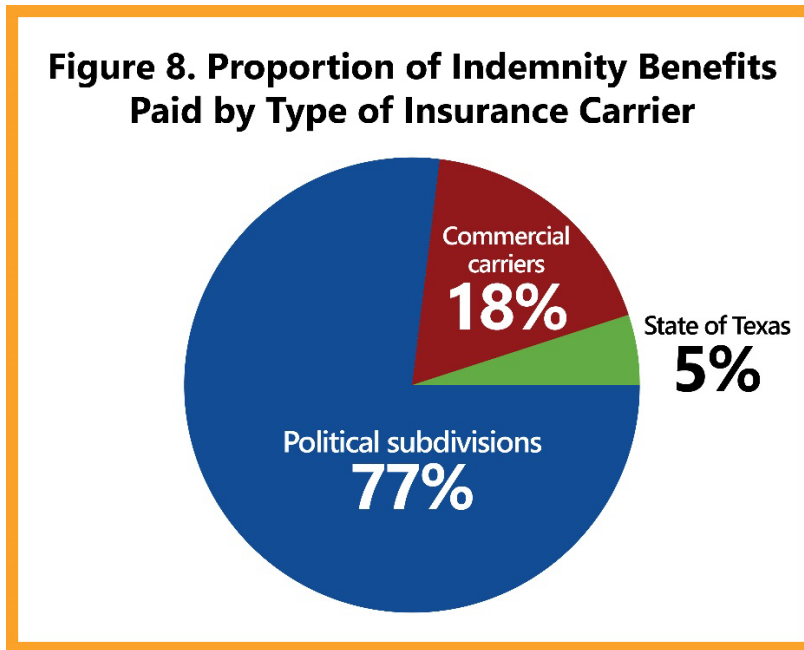
Insurance carriers and employers paid about \$78.3 million in indemnity benefits on COVID-19 claims. Indemnity benefits include \$44.4 million (57%) in employer salary continuation⁶, \$29.0 million (37%) in income benefits, \$4.5 million (6%) in death benefits, and \$425,531 (1%) in burial benefits (Figure 7).



Note: Due to rounding, percentages may not add to 100.

⁶ The amount of employer salary continuation paid for state and political subdivision employees in lieu of receiving workers' compensation income benefits may change over time as state agencies report more information.

Most of these indemnity benefits have been paid by political subdivisions (77%), followed by commercial insurance carriers (18%), and the State of Texas (5%) (Figure 8).



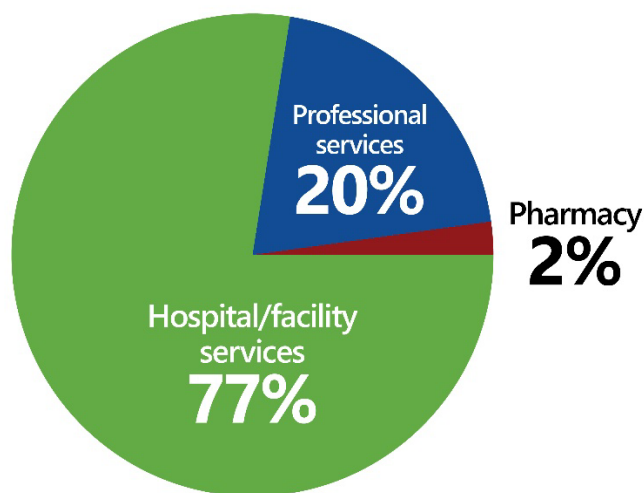
Injured employees receiving indemnity benefits (i.e., employer salary continuation, temporary income benefits, impairment income benefits, or lifetime income benefits) were paid for an average of 16 days of disability (median: 10 days). The average income benefit payment made for the claims was \$2,836.⁷ These claim payments will continue to change over time as injured employees lose time away from work, move from one income benefit type to another, or as additional death benefits are paid to legal beneficiaries.

Medical Benefits Paid

Insurance carriers paid a total of \$43.3 million in medical costs on COVID-19 claims. Of those payments, \$8.7 million (20%) was for professional services, \$33.6 million (77%) for hospital/facility services, and \$1.0 million (2%) for pharmacy services (Figure 9).

⁷ Some of the income benefits data were outliers or unreliable enough that they might unduly affect the average and were therefore excluded while calculating the average benefits paid.

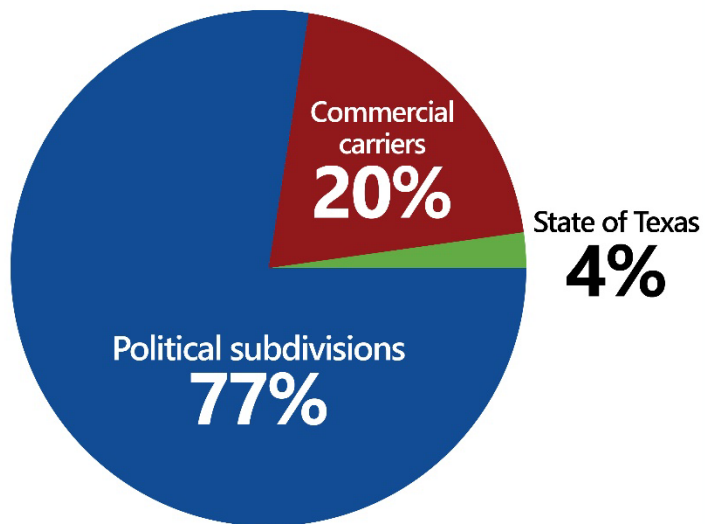
Figure 9. Proportion of Medical Benefits Paid by Service Type



Note: Due to rounding, percentages may not add to 100.

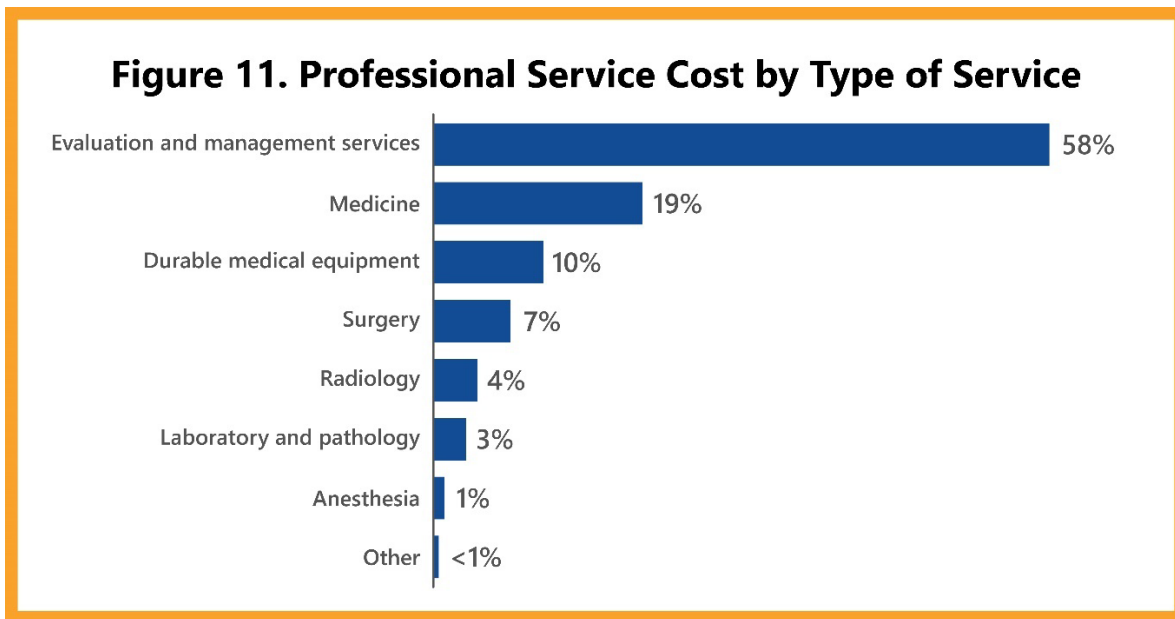
To date, more than three-quarters of these costs have been paid by political subdivisions (77%), followed by commercial insurance carriers (20%), and the State of Texas (4%) (Figure 10). These costs are likely to increase over time as claims mature.

Figure 10. Proportion of Medical Benefits Paid by Insurance Carriers



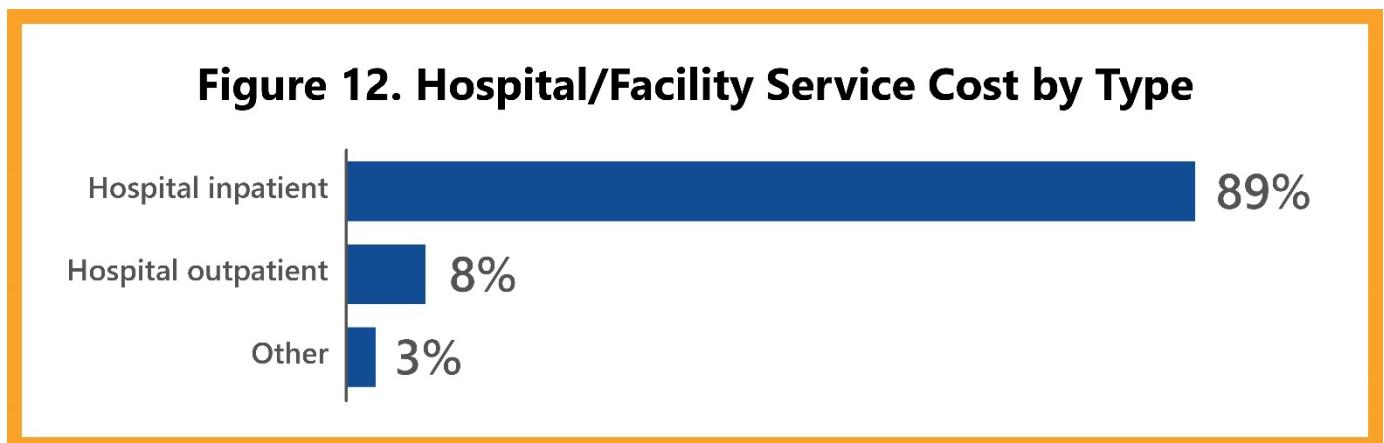
Note: Due to rounding, percentages may not add to 100.

Professional Cost by Service Type: Of the \$8.7 million in professional service costs, most (87%) was paid for three services, which include evaluation and management services (58%), medicine (19%), and durable medical equipment (10%) (Figure 11).



Note: Due to rounding, percentages may not add to 100.

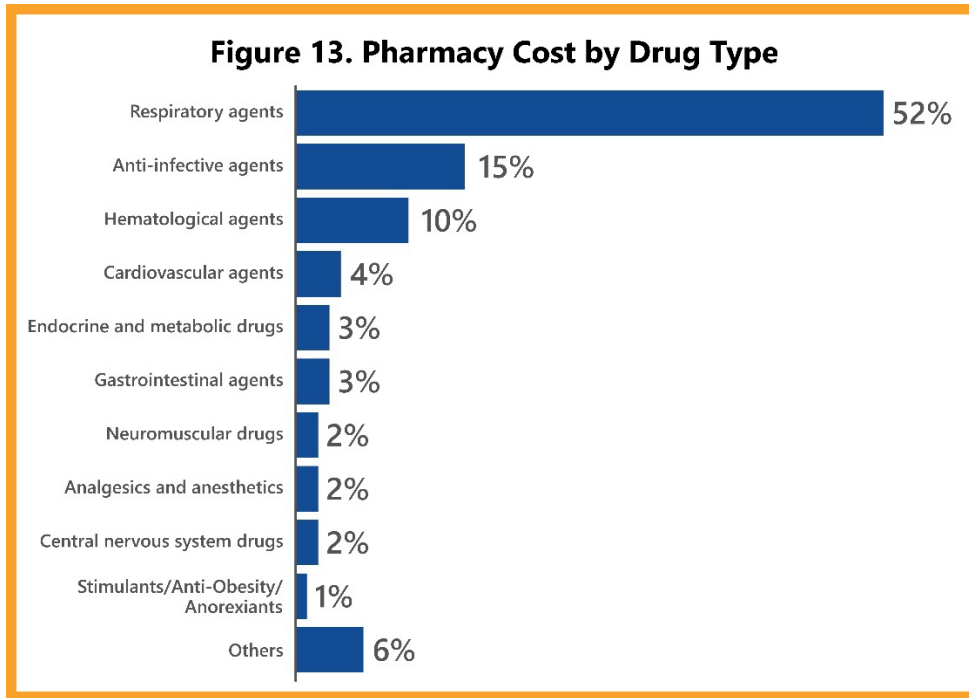
Hospital/Facility Cost by Type: Of the \$33.5 million in hospital/facility costs, most payments were made for inpatient services (89%). These expenses include treatment costs in the hospital and facility fees for people who receive outpatient care at hospital-owned buildings.



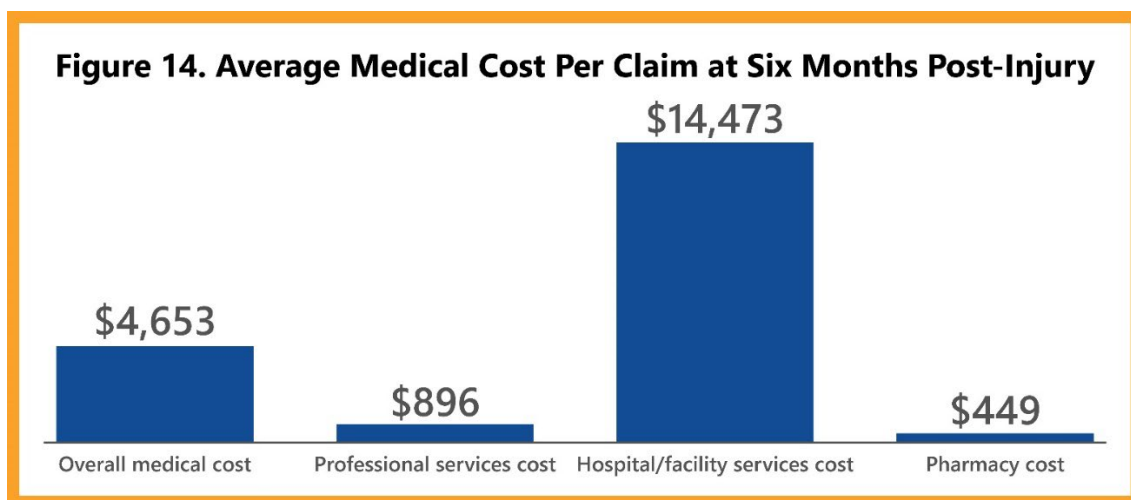
Note: "Other" includes skilled nursing, home health, and all other facility types.

Pharmacy Cost by Drug Type: Of the \$1 million pharmacy service cost, slightly more than half (52%) of the pharmacy payments were made for respiratory agents (Figure 13). Similarly, one-quarter (25%) of the payments were made for anti-infective and hematological agents. In terms of individual drugs dispensed, the top ten most frequently dispensed to injured employees included Albuterol Sulfate, Azithromycin,

Prednisone, Gabapentin, Budesonide-Formoterol Fumarate Dihydrate, Benzonatate, Eliquis, Methylprednisolone, Breo Ellipta, and Dexamethasone.

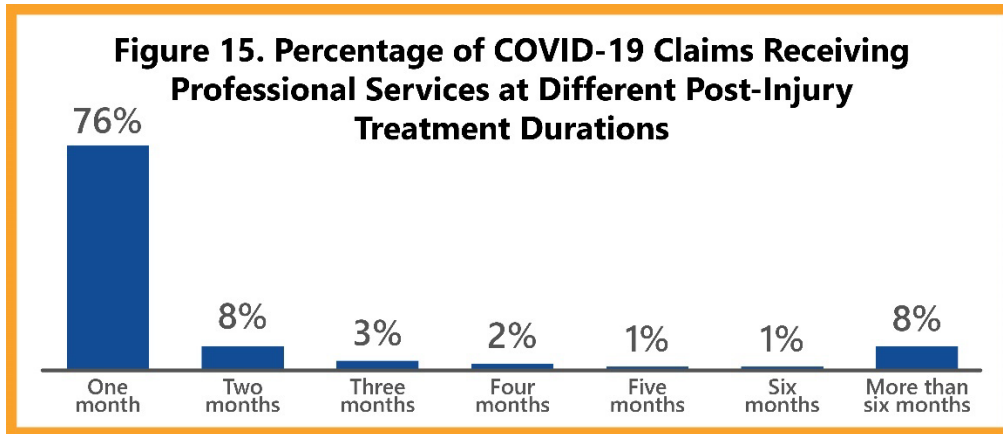


Average Medical Cost: The average medical cost per claim for COVID-19 at six months post-injury was \$4,653 for claims with injury dates of March 13, 2020, through December 31, 2021, and which had some payment (non-zero) for at least one of the medical services (Figure 14). The average cost per claim for six months post-injury was \$896 for professional services, \$14,473 for hospital/facility services, and \$449 for pharmacy services (Figure 14).



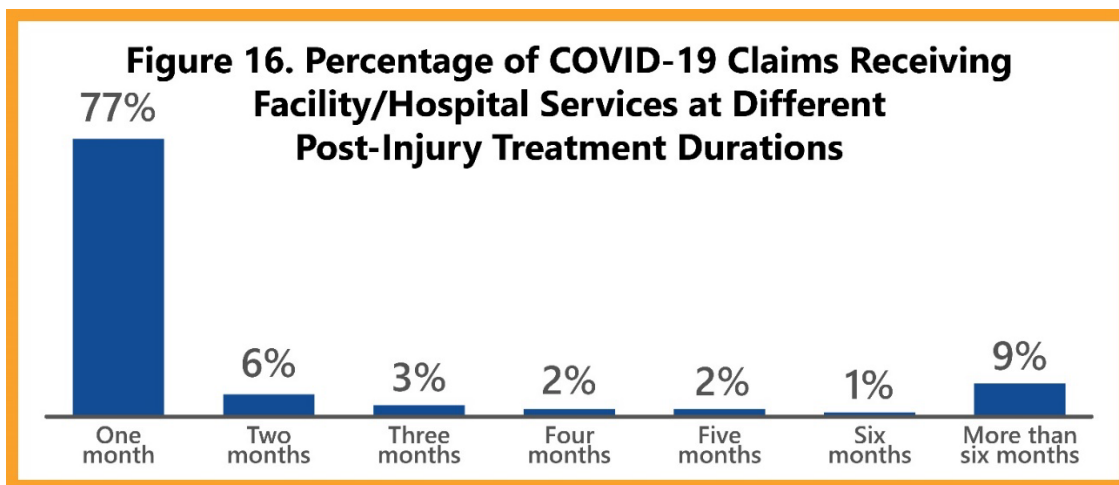
Medical Cost by Post-Injury Treatment Duration: Analyzing the treatment duration and medical cost is crucial to monitor the longer-duration COVID-19 claims or long-haul COVID-19 claims.⁸ Monitoring of long-haul COVID-19 claims helps to understand and determine their impact on workers' compensation systems, including costs, and return-to-work outcomes. This monitoring also helps to assess and understand how medical conditions develop over time for long-haul COVID-19 claimants.

Slightly more than three-quarters of COVID-19 claims received professional services (76%) within one month post-injury (Figure 15). About 8% claims received these services for more than six months post-injury.



Note: Due to rounding, percentages may not add to 100.

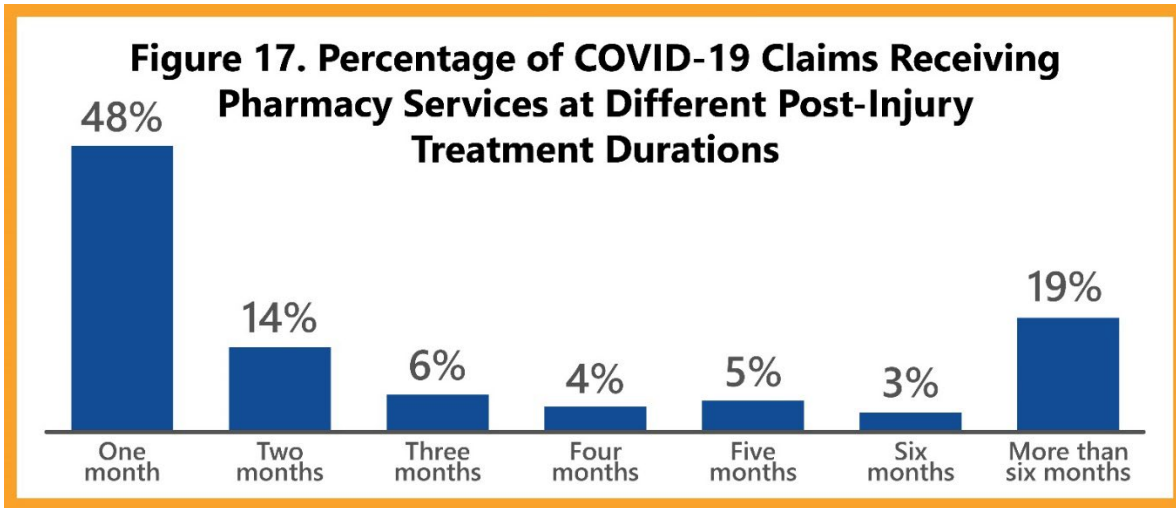
Slightly more than three-quarters of COVID-19 claims received hospital/facility services (77%) within one month post-injury (Figure 16). About 9% claims received these services for more than six months post-injury.



Compared to professional and hospital/facility services, a smaller percentage of COVID-19 claims received pharmacy services within one month post-injury. Nearly half (48%) of COVID-19 claims that received

⁸ While there is ongoing discussion about how to identify or define "long-haul" COVID-19 claims, the Centers for Disease Control and Prevention categorizes patients with "post-COVID conditions" as those with new, returning, or ongoing health problems four or more weeks after first being infected with COVID-19 (see www.cdc.gov/coronavirus/2019-ncov/hcp/clinical-care/post-covid-conditions.html).

pharmacy services received those services within one month post-injury, while a majority (52%) of these continued receiving these services beyond one month post-injury (Figure 17). Nearly one in five claims (19%) that received pharmacy services received such services for more than six months.



Note: Due to rounding, percentages may not add to 100.

COVID-19 Claimants’ Access to Medical Services

The median number of days from the date of injury to the date of first medical treatment was 7 days (mean: 11.2 days). More than half of the claimants received medical services on the same day or within one week of injury (54%) and four out of five (80%) claimants received their first medical service within two weeks of injury (Table 5). The duration required in receiving medical services might have been affected by the CDC guideline, which suggested that COVID-19 infection can be treated at home with simple care (e.g., like for flu), and one should only seek medical services if symptoms get worse.

Table 5. Duration Required in Accessing Medical Services After Injury

Duration	# of Claims	% of Claims
Same day of injury	1,695	16%
1st week of injury (1-7 days)	4,017	38%
2nd week of injury (8-14 days)	2,728	26%
3rd week of injury (15-21 days)	942	9%
4th week of injury (22-28 days)	388	4%
5th-8th weeks of injury (29-56 days)	466	4%
9th-12th weeks of injury (57-84 days)	138	1%
13th-16th weeks of injury (85-112 days)	82	1%
17th week or more of injury (>112 days)	90	1%
Total	10,546	100%

Reprocessed COVID-19 Claims Due to Passage of Senate Bill 22

Senate Bill (SB) 22, 87th Legislature, Regular Session, (2021), created a rebuttable presumption that a COVID-19 death or injury is work-related for certain first responders, including detention officers, custodial officers, firefighters, peace officers, and emergency medical technicians for claims filed on or after June 14, 2021. SB 22 also provided a process for certain first responders whose benefits were denied to request that the insurance carrier reprocess the claim. After passage of that bill, DWC created and started receiving PLN-15s, *Notice of Request to Reprocess a COVID-19 Claim Subject to Texas Government Code Section 607.0545*.

In the first week of August 2022, first responders and correctional officers filed 45,361 claims of which one third (33%) were initially denied (Table 6). Among these denied claims, a very small percentage of claimants (1%) filed a PLN-15 to reprocess their claim. This was despite a thorough communication plan by DWC to notify eligible first responders. This plan included a separate mail notification to over 14,000 eligible first responders of their right to request their claim be reprocessed.

Of those claims that were reprocessed most were accepted by insurance carriers (62%), and slightly more than a third were denied again (38%). A higher proportion of fatal PLN-15s were denied (42%) on reconsideration. Insurance carriers cited several reasons for denying PLN-15s. Most frequently cited reasons included (i) the contact with the virus was not work-related or there was no causal connection between employment and COVID-19, (ii) lack of medical evidence that COVID-19 did actual damage or harm to the body, (iii) the claim did not meet requirements under the law for reconsideration or the presumption made under SB 22 does not apply, and (iv) lack of evidence to support a sustained occupational injury. Eleven of the first responders whose claims were reconsidered and denied filed disputes with DWC.

Table 6. Number of First Responder Claims Initially Denied, Then Accepted or Denied After Reconsideration

Claims	Overall Claims		Fatal Claims	
	#	%	#	%
First responders all claims	45,361	-	252	-
Initially denied claims	14,812	33%	117	46%
PLN-15 filed	178	1%	36	31%
PLN-15 accepted	111	62%	21	58%
PLN-15 denied	67	38%	15	42%

Reprocessed Claims by Injury Date

Most of the reprocessed claims, including fatal claims had injury dates before the effective date of SB 22, i.e., June 14, 2021. The breakdown of reprocessed claim-related information by injury dates before and on/after SB 22 is presented in Table 7.

Table 7. Number of First Responders' Claims with Injuries Before and On/After SB 22

Claims	Injury Before Senate Bill 22				Injury On/After Senate Bill 22			
	Overall Claims		Fatal Claims		Overall Claims		Fatal Claims	
	#	%	#	%	#	%	#	%
First responders all claims	22,747	-	132	-	22,614	-	120	-
Initially denied claims	12,601	55%	78	59%	2,211	10%	39	33%
PLN-15 filed	168	1%	35	45%	10	<1%	1	3%
PLN-15 accepted	106	63%	20	57%	5	50%	1	100%
PLN-15 denied	62	37%	15	43%	5	50%	0	0%

Reprocessed Claims by Insurance Carrier

The State of Texas reprocessed two thirds of the PLN-15 claims (67%), including more than half of fatal claims (53%). This was followed by political subdivisions (Table 8). Nearly two thirds of reprocessed claims were accepted by the State of Texas (65%) and political subdivisions (62%), which is higher than commercial carriers (17%). However, this trend changes for fatal claims that were reprocessed. The State of Texas accepted more than three quarters of these fatal claims. Political subdivisions accepted 29 percent of these claims.

Table 8. Outcomes of Reprocessed Claims by Carrier Types

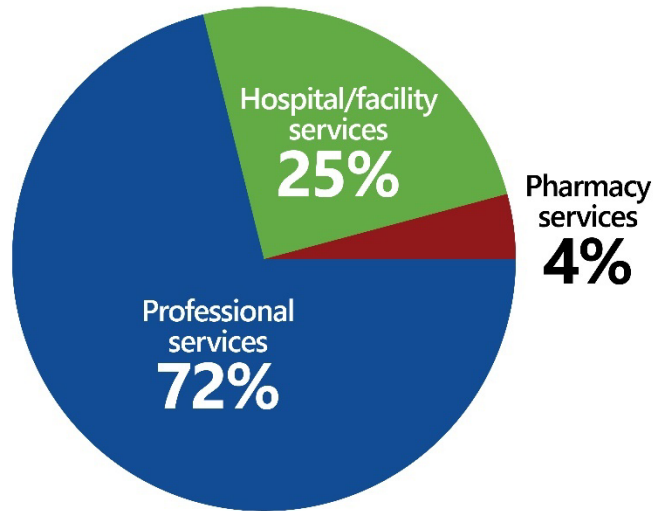
Insurance Carriers	# of PLN-15 Filed (% by carriers)	# of PLN-15 Accepted (%)	# of PLN-15 Denied (%)	# of Fatal PLN-15 Filed (% by carriers)	# of Fatal PLN-15 Accepted (%)	# of Fatal PLN-15 Denied (%)
Commercial carriers	6 (3%)	1 (17%)	5 (83%)	3 (8%)	1 (33%)	2 (67%)
Political subdivisions	52 (29%)	32 (62%)	20 (38%)	14 (39%)	4 (29%)	10 (71%)
State of Texas	120 (67%)	78 (65%)	42 (35%)	19 (53%)	16 (84%)	3 (16%)
All carriers total	178	111 (62%)	67 (38%)	36	21 (58%)	15 (42%)

Note: Due to rounding, percentages may not add to 100.

Benefits Paid on Reprocessed Claims

As of August 10, 2022, a total of \$1.9 million has been paid as medical or indemnity benefits for reprocessed COVID-19 claims, which makes up about 1.6% of the total benefits paid for overall COVID-19 claims (i.e., \$121.6 million). While 19 percent of benefits paid were medical benefits (\$353K), 81% were indemnity benefits (\$1.5 million). Of medical benefits, nearly three quarters were paid for professional services (72%), followed by hospital/facility services (25%), and pharmacy services (4%) (Figure 18).

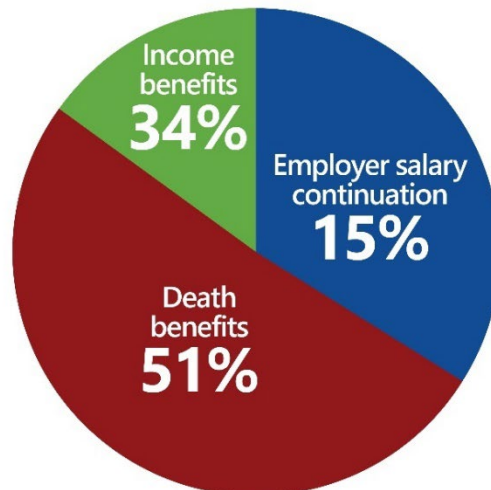
Figure 18. Proportion of Medical Benefits Paid to Different Services



Note: Due to rounding, percentages may not add to 100.

Of indemnity benefits, slightly more than half were paid as death benefits (51%), followed by income benefits (34%), and employer salary continuation (15%) (Figure 19).

Figure 19. Proportion of Indemnity Benefits Paid by Type



Note: Due to rounding, percentages may not add to 100.

Almost all of the medical benefits (96%) and most of the indemnity benefits, including employer salary continuation and income benefits (82%), were paid on the claims filed with political subdivisions (Table 9). More than half of death benefits (56%) were paid to claims filed with the State of Texas.

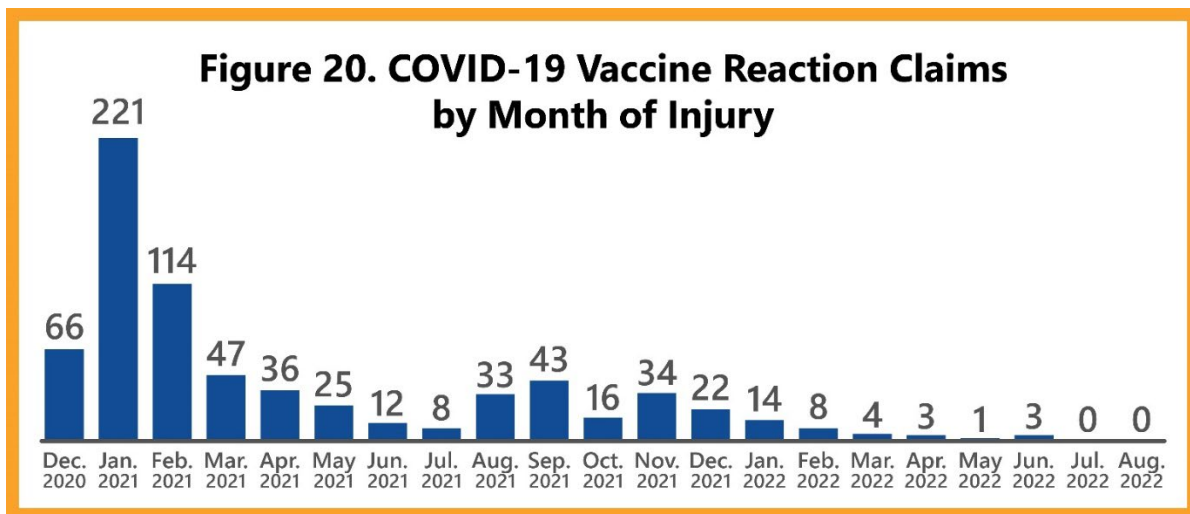
Table 9. Medical and Indemnity Benefits Paid by Type of Insurance Carrier

Insurance Carriers	Medical Benefits	Indemnity Benefits	Death Benefits
Commercial carriers	<1%	0%	0%
Political subdivisions	96%	82%	44%
State of Texas	4%	18%	56%
All carriers total	100%	100%	100%

Note: Due to rounding, percentages may not add to 100.

COVID-19 Vaccine Reaction Claims

Starting December 14, 2020, certain groups of employees, including health care workers and first responders, received the COVID-19 vaccine in Texas. Limited vaccines became available to the public in February 2021. A small number of employees had adverse reactions to the vaccine, resulting in a workers' compensation claim. By the second quarter of 2022, insurance carriers had reported 708 COVID-19 vaccine reaction claims to DWC. Figure 20 shows the distribution of COVID-19 vaccine reaction claims by injury month. Most of the reported COVID-19 vaccine reactions occurred in January 2021, followed by February 2021, and December 2020.



Most vaccine reaction claims were processed by political subdivisions (70%) followed by commercial carriers (28%), and the State of Texas (2%). The public administration industry sector represented most of the vaccine reaction claims (70%), followed by the health care and social assistance sector (20%), transportation and warehousing (2%), retail trade (2%), and accommodation and food services sector (2%). Most COVID-19 vaccine reaction claims (81%) were accepted by insurance carriers. Of the 20% that were denied, most were by commercial carriers (commercial carriers: 15%, political subdivisions: 2%, and State of Texas: 2%).

Most vaccine reaction claims (83%) did not have any indemnity or medical payments associated with them. Of the 17% of vaccine reaction claims that had a medical or indemnity benefits payment, insurance carriers had paid \$188,079 in indemnity and medical benefits as of August 10, 2022, for claims reported to insurance carriers as of June 30, 2022. Insurance carriers paid \$56,765 in indemnity benefits for an average of 12 days of disability per claim (median: 7 days). Similarly, insurance carriers paid a total of \$131,314 in medical benefits (professional services payments: \$93,668, hospital/facility payments: \$26,826, and pharmacy payments: \$10,810).

Closing Remarks

At the outset of the pandemic, there was concern among workers' compensation stakeholders and regulators about the potential of a significant impact on insurance carriers and injured employees. While many COVID-19 claims were filed, a significant fiscal impact never materialized. That said, political subdivisions have borne the brunt of the impact. This can be attributed to the large number of claims from first responders as well as the statutory presumption that was passed in SB 22. DWC will continue monitoring the impact of COVID-19 on the Texas workers' compensation system.



**An Overview of COVID-19 Claims in the Texas Workers' Compensation System
November 2022**

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