

Employer Participation in the Texas Workers' Compensation System: 2016 Estimates

Texas Department of Insurance
Workers' Compensation Research and Evaluation Group

December 2016

Brief History of Non-subscription in Texas

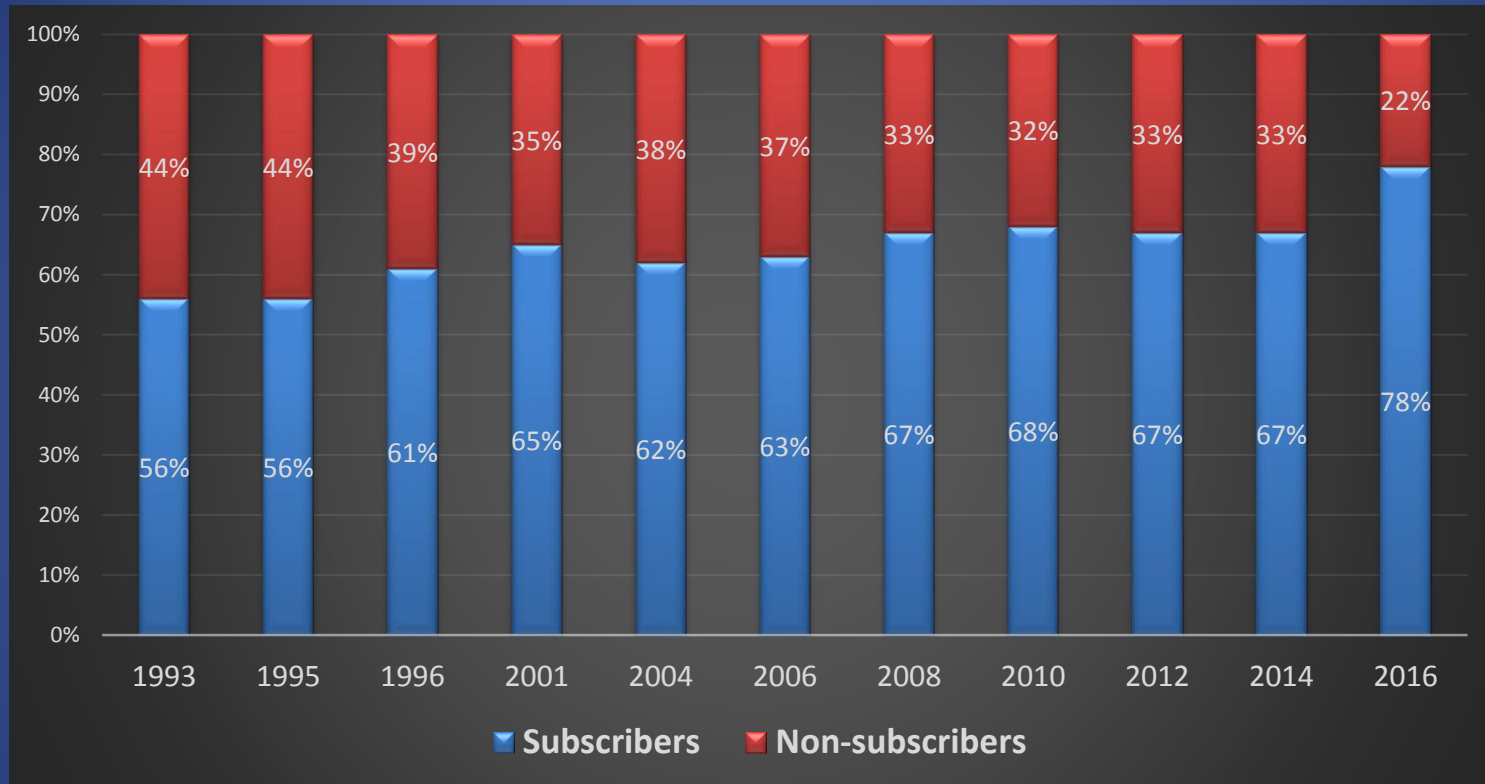
- Private sector employers have been allowed the option of whether to purchase workers' compensation (WC) insurance since 1913.
- Texas is currently the only state that allows any private-sector employer the option of not purchasing WC insurance or become “non-subscribers” to the state WC system.
- Several states' laws have numerical exceptions that allow small private sector employers to be “non-subscribers.”
- The first study in Texas to estimate the percentage of employers that are “non-subscribers” to the Texas WC system took place in 1993 with 10 follow up studies conducted between 1995 and 2016.

Survey Sample and Administration

- TDI pulled a random probability sample (stratified by industry and employment size) of Texas employers from Texas Workforce Commission (TWC) data
- TDI and the Public Policy Research Institute (PPRI) at Texas A&M University completed 1,911 interviews with year-round private sector Texas employers during June – September 2016
- Interview respondents held the following positions in the companies:
 - Company's owner = 44%
 - Company's human resources Administrator = 14%
 - Company's claim administrator = 1%
 - Company's risk manager = 2%
 - Others = 39%
- Employer non-subscription estimates have a +/- 2.5% margin of error at the 95% confidence interval

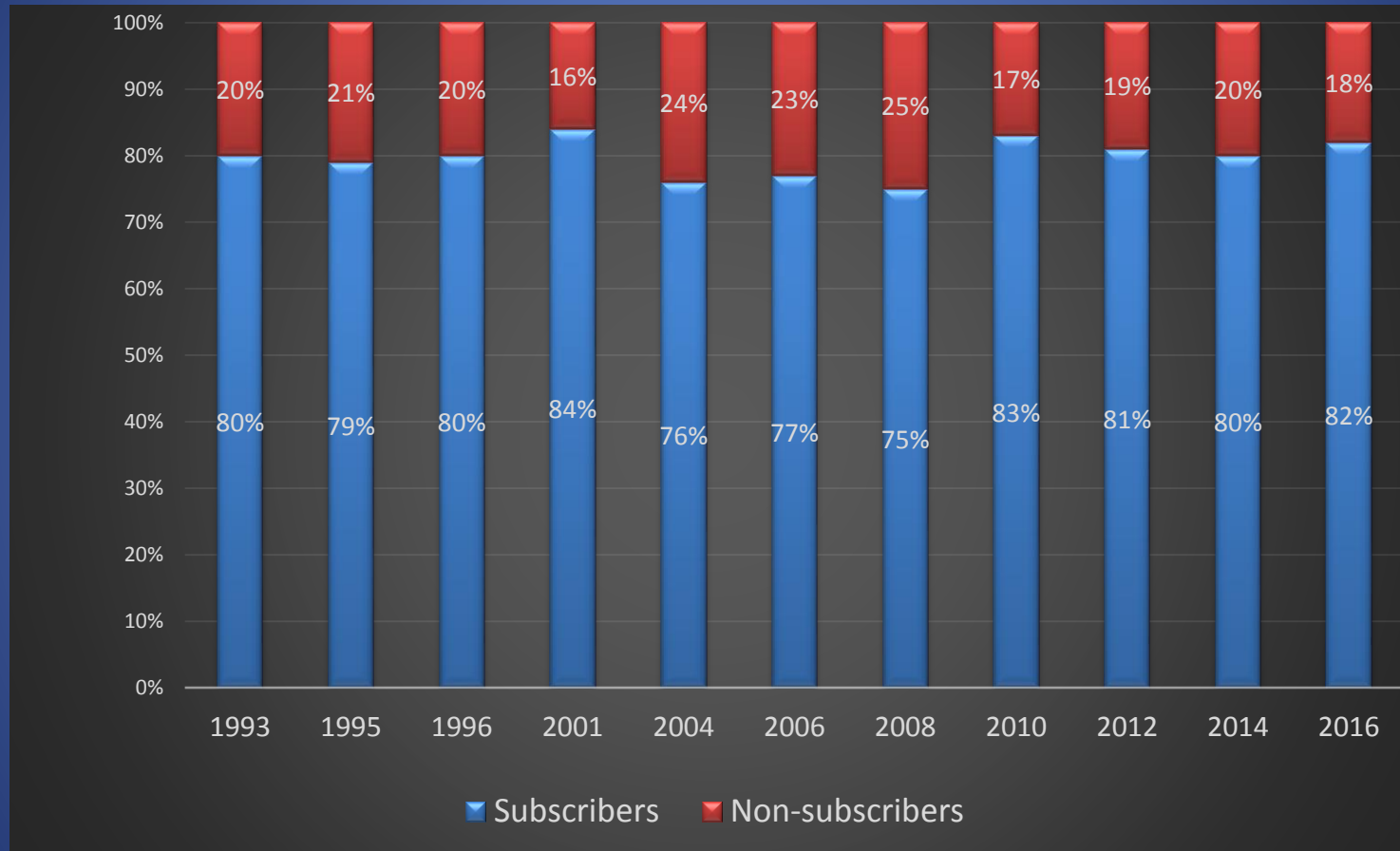
Overall subscription estimates

Percentage of Texas Private-Sector Employers That Are Subscribers and Non-subscribers: 1993-2016



Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, 1993 and 1995 estimates from the Texas Workers' Compensation Research Center and the Public Policy Research Institute (PPRI) at Texas A&M University; 1996 and 2001 estimates from the Research and Oversight Council on Workers' Compensation and PPRI; and 2004 - 2016 estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI.

Percentage of Texas Private-Sector Employees Employed by Subscribers and Non-subscribers: 1993-2016



Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, 1993 and 1995 estimates from the Texas Workers' Compensation Research Center and the Public Policy Research Institute (PPRI) at Texas A&M University; 1996 and 2001 estimates from the Research and Oversight Council on Workers' Compensation and PPRI; and 2004 - 2016 estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI.

Percentage of Texas Private-Sector Employers That Are Non-subscribers, by Employment Size: 1995-2016

Employment Size	1995	1996	2001	2004	2006	2008	2010	2012	2014	2016
1-4 Employees	55%	44%	47%	46%	43%	40%	41%	41%	43%	31%
5-9 Employees	37%	39%	29%	37%	36%	31%	30%	29%	27%	19%
10-49 Employees	28%	28%	19%	25%	26%	23%	20%	19%	21%	10%
50-99 Employees	24%	23%	16%	20%	19%	18%	16%	19%	18%	10%
100-499 Employees	20%	17%	13%	16%	17%	16%	13%	12%	14%	11%
500 + Employees	18%	14%	14%	20%	21%	26%	15%	17%	19%	19%

Note: Non-subscription estimates for 1993 were based on different employer size categories than were used in later years so they are not directly comparable.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, 1995 estimates from the Texas Workers' Compensation Research Center and the Public Policy Research Institute (PPRI) at Texas A&M University; 1996 and 2001 estimates from the Research and Oversight Council on Workers' Compensation and PPRI; and 2004 -2016 estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI.

Percentage of Texas Private-Sector Employers That Are Non-subscribers, by Industry: 2004-2016

Industry Type	Non-subscription Rate						
	2004	2006	2008	2010	2012	2014	2016
Agriculture/Forestry/Fishing/Hunting	39%	25%	27%	25%	29%	26%	14%
Mining/Utilities/Construction	32%	21%	28%	19%	22%	20%	19%
Manufacturing	42%	37%	31%	31%	29%	25%	21%
Wholesale Trade/ Retail Trade/Transportation	40%	37%	29%	32%	26%	34%	20%
Finance/Real Estate/Professional Services	32%	33%	33%	33%	32%	29%	24%
Health Care/Educational Services	41%	44%	39%	32%	35%	41%	28%
Arts/Entertainment/Accommodation/Food Services	54%	52%	46%	40%	40%	39%	24%
Other Services Except Public Administration	39%	42%	36%	42%	49%	47%	22%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Reasons for opting in or out of the workers' compensation system

Primary Reasons Subscribers Gave for Purchasing Workers' Compensation Coverage 2008 - 2016

Primary reasons given by subscribers	Percentage of subscribers				
	2008	2010	2012	2014	2016
Employer was able to provide injured employees with medical care through a workers' compensation health care network	24%	27%	20%	22%	25%
Employer thought having workers' compensation was required by law	25%	22%	19%	22%	20%
Employer was concerned about lawsuits	14%	18%	21%	20%	20%
Employer needed workers' compensation coverage in order to obtain government contracts	3%	6%	9%	10%	11%
Workers' compensation insurance rates were lower	2%	2%	11%	10%	10%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Primary Reasons Why Large Subscribers (500+ employees) Said They Purchase Workers' Compensation Coverage 2008 - 2016

Primary reasons given by subscribers with 500+ employees	Percentage of large subscribers				
	2008	2010	2012	2014	2016
Employer was able to provide injured employees with medical care through a workers' compensation health care network	28%	29%	20%	23%	26%
Employer thought having workers' compensation coverage was required by law	16%	17%	17%	16%	16%
Employer was concerned about lawsuits	13%	12%	17%	14%	13%
Employer was able to reduce its workers' compensation insurance costs through deductibles, certified self insurance, group self-insurance or other premium discounts	3%	13%	17%	19%	13%
Employer needed workers' compensation coverage in order to obtain government contracts	NA	NA	11%	10%	12%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Primary Reasons Non-subscribers Did Not Purchase Workers' Compensation Coverage 2008 - 2016

Primary reasons given by non-subscribers	Percentage of non-subscribers				
	2008	2010	2012	2014	2016
Employer had too few employees	26%	25%	17%	21%	26%
Employers are not required to have workers' compensation insurance by law	11%	13%	17%	19%	24%
Workers' compensation insurance premiums were too high	26%	32%	15%	17%	18%
Employer had few on-the-job injuries	9%	12%	17%	20%	18%
Medical costs too high/Employer felt they could do a better job than the Texas workers' compensation system at reducing the costs of on-the-job-injuries	4%	5%	10%	16%	6%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

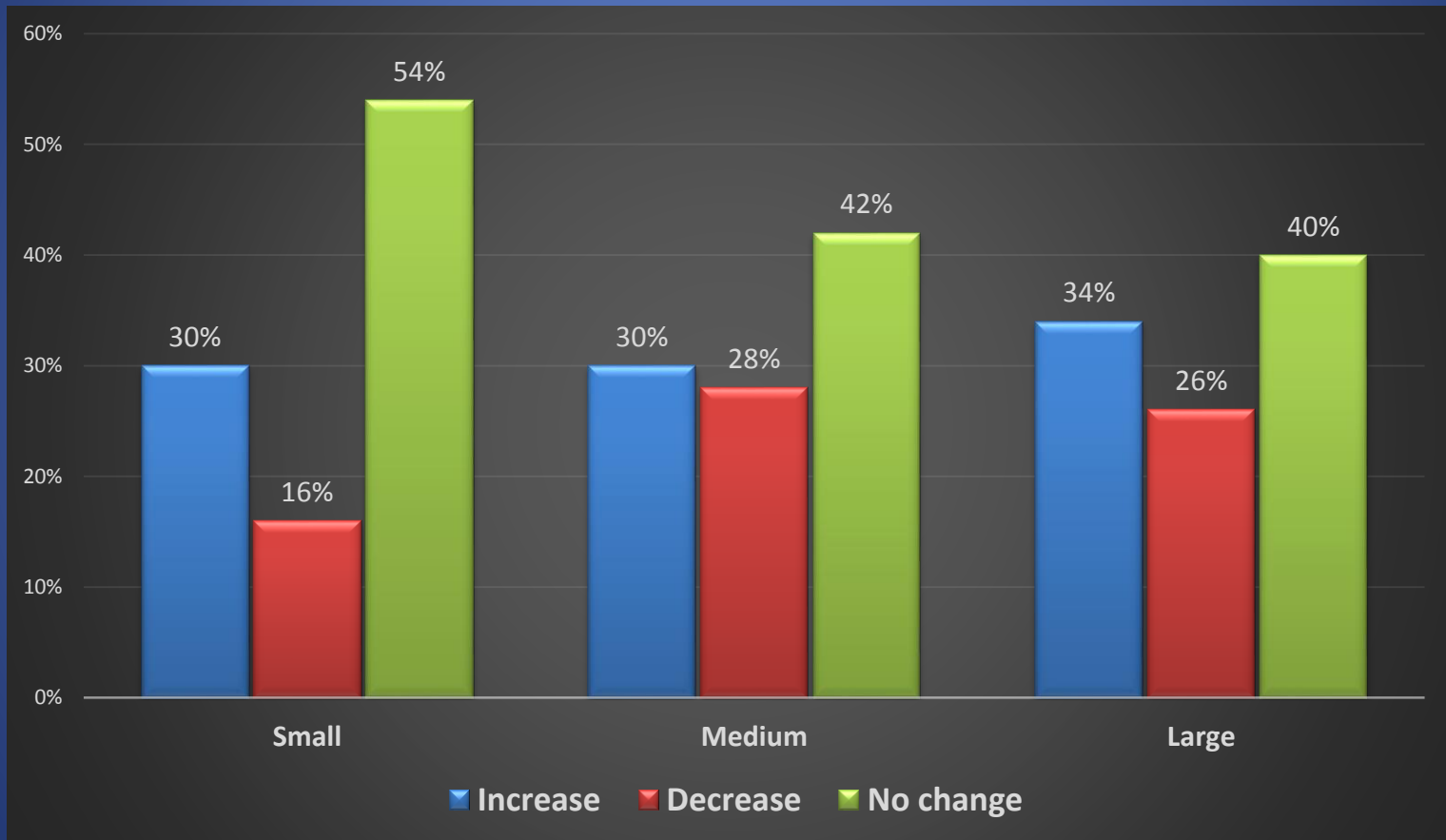
Primary Reasons why Large Non-subscribers (500+ employees) Did Not Purchase Workers' Compensation Coverage 2008 - 2016

Primary reasons given by non-subscribers with 500+ employees	Percentage of large non-subscribers				
	2008	2010	2012	2014	2016
The employer felt the company could do a better job than the Texas workers' compensation system at ensuring that employees injured on the job receive appropriate benefits (medical and wage loss)	NA	28%	20%	30%	30%
Medical costs too high/Employer felt they could do a better job than the Texas workers' compensation system at reducing the costs of on-the-job-injuries	13%	10%	24%	23%	31%
Employer not required to have workers' compensation insurance by law	NA	2%	14%	15%	17%
Workers' compensation insurance premiums were too high	49%	50%	23%	21%	14%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Texas employers' experiences with workers' compensation insurance premiums

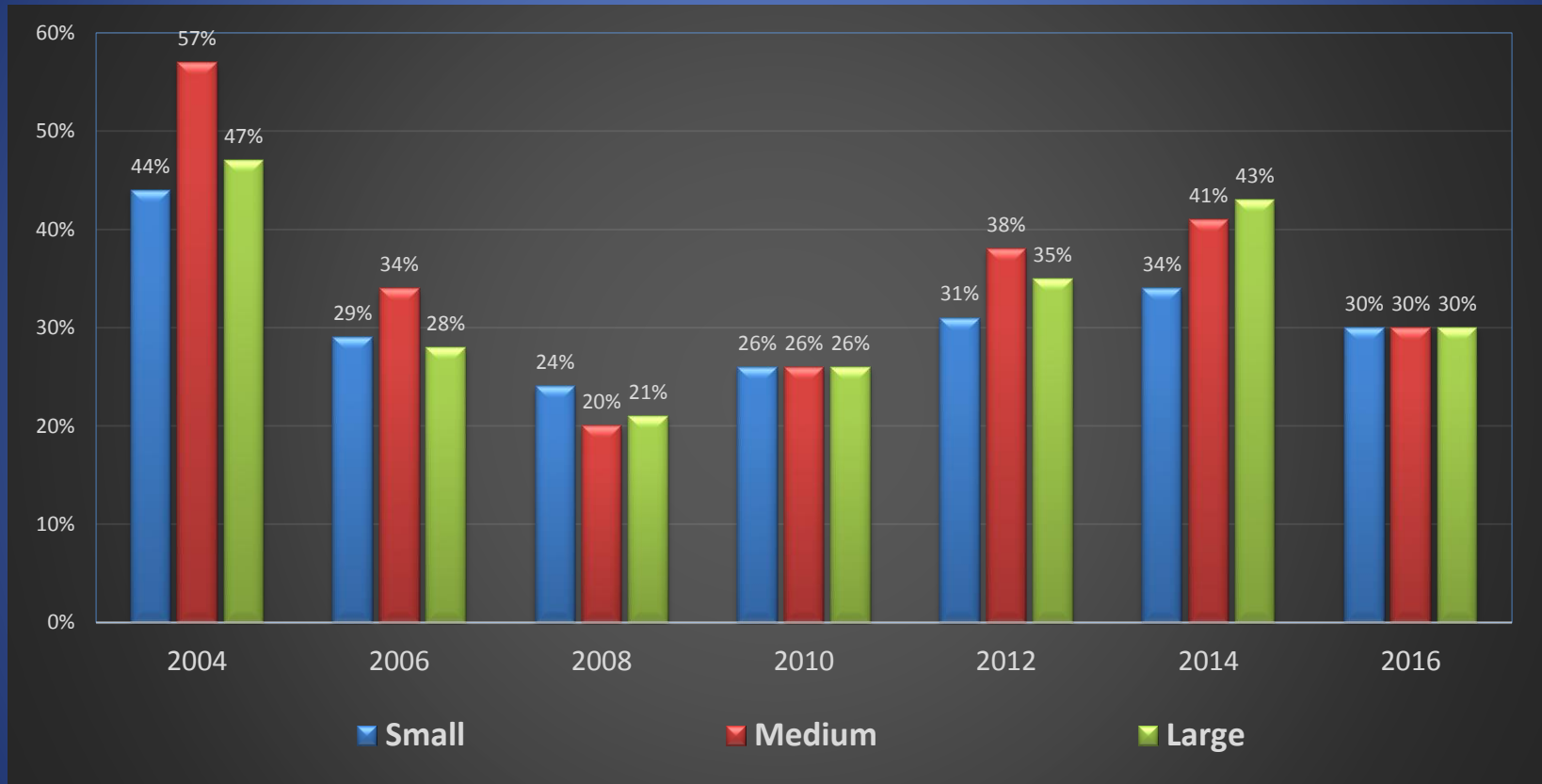
Percentage of Subscribers That Indicated They Experienced a Premium Increase, Decrease, or No Change, by Employment Size: 2016



Note: Small employers have 1-49 employees, Medium employers have 50-99 employees, and Large employers have 100 or more employees.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

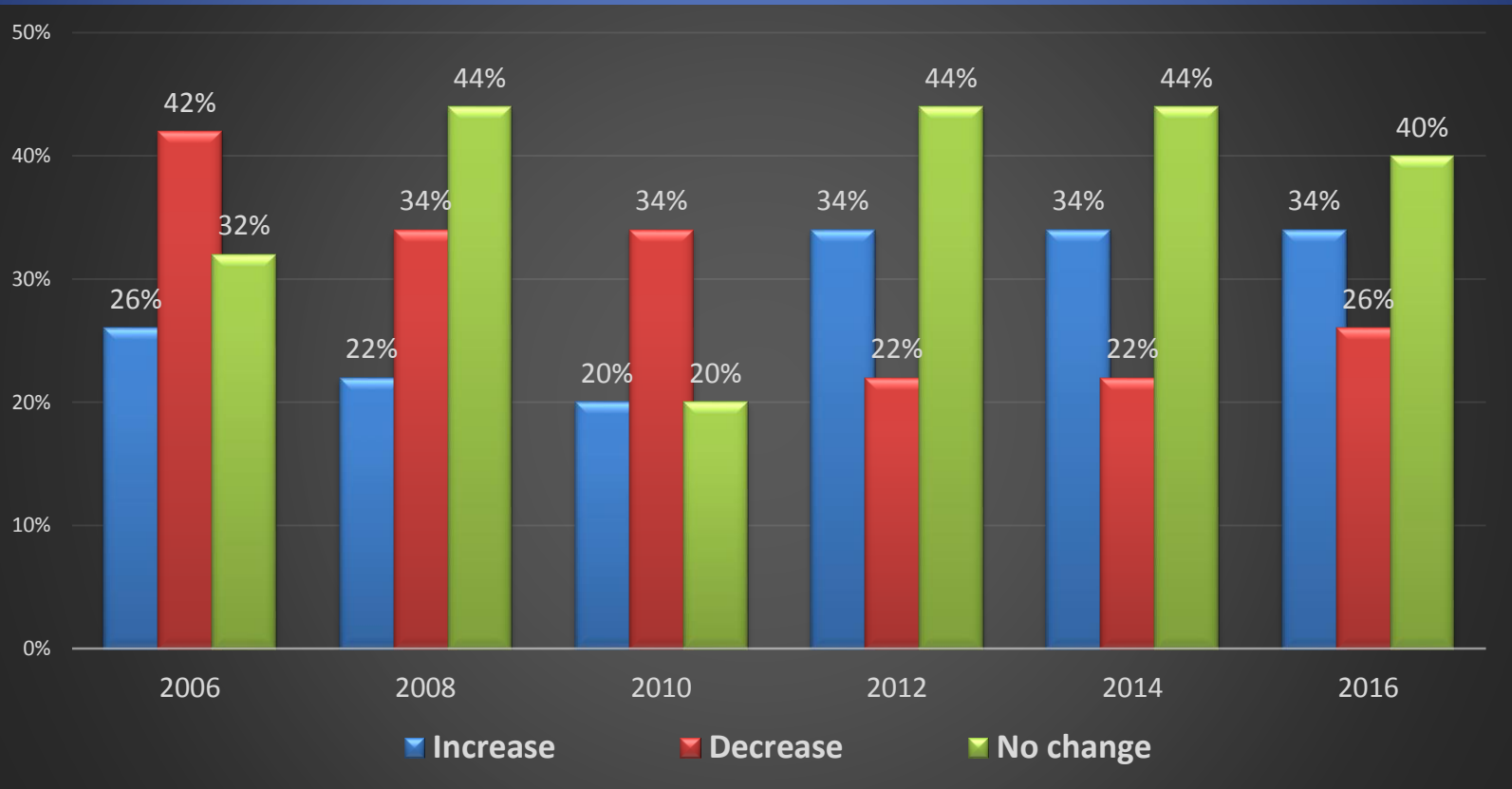
Percentage of Subscribers That Indicated They Experienced a Premium Increase, by Employment Size: 2004-2016



Note: Small employers have 1-49 employees, Medium employers have 50-99 employees, and Large employers have 100 or more employees.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, 1993 and 1995 estimates from the Texas Workers' Compensation Research Center and the Public Policy Research Institute (PPRI) at Texas A&M University; 1996 and 2001 estimates from the Research and Oversight Council on Workers' Compensation and PPRI; and 2004 - 2016 estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI.

Percentage of Large Subscribers (500+ employees) That Indicated They Experienced a Premium Increase, Decrease, or No Change: 2006-2016



Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

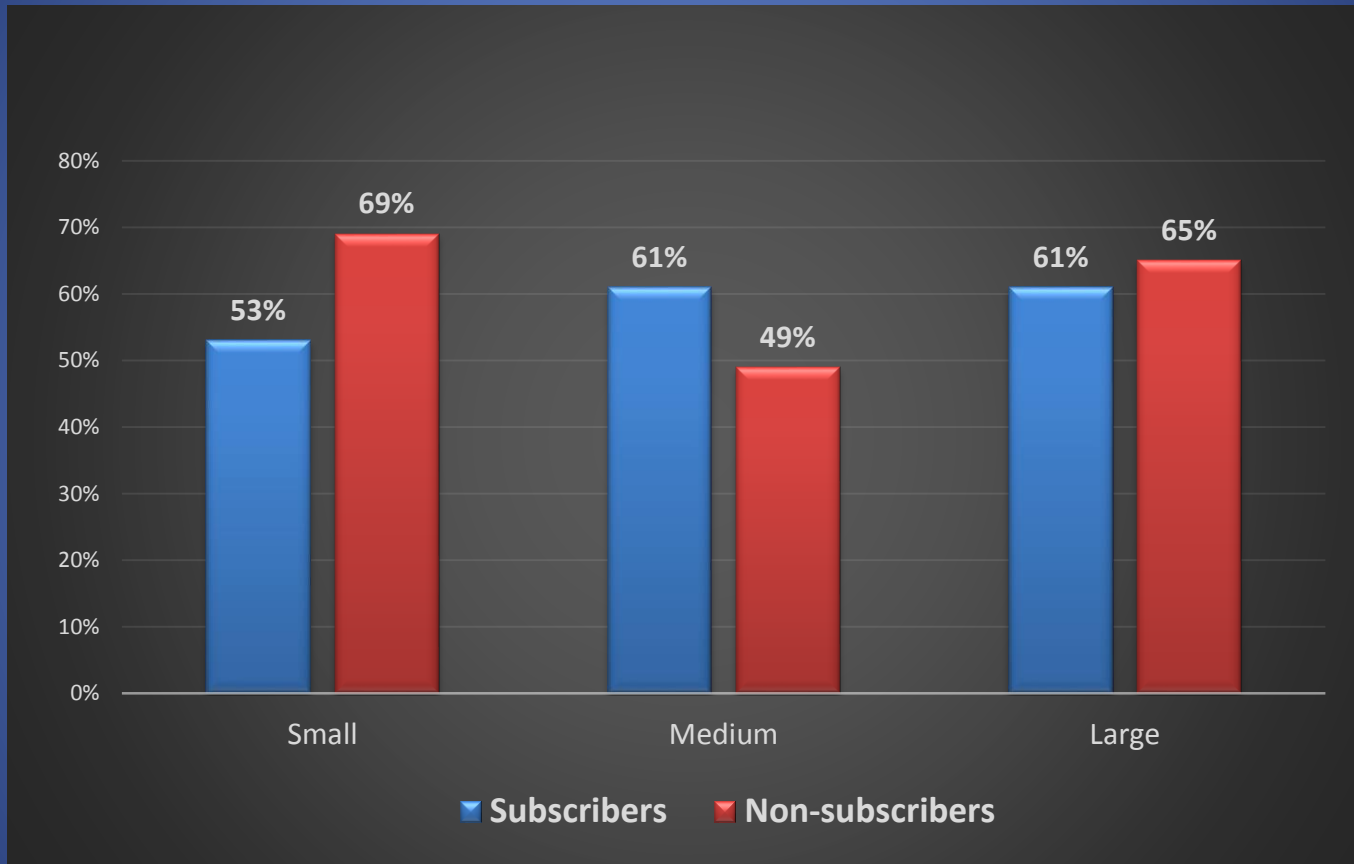
Satisfaction levels of subscribers and non-subscribers

Percentage “extremely” or “somewhat” satisfied: Subscribers and Non-subscribers in 2016

Satisfaction with subscription/non-subscription experience	Subscribers	Non-subscribers
Overall satisfaction	54%	69%
Adequacy and equity of benefits paid to injured employees	48%	57%
Degree to which WC insurance coverage or occupational benefits plan is a good value for the company	51%	69%
The ability to effectively manage medical and wage replacement costs	50%	63%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Overall Satisfaction of Subscribers and Non-subscribers, Percentage of Employers 'extremely' or 'somewhat' satisfied, by Employment Size: 2016

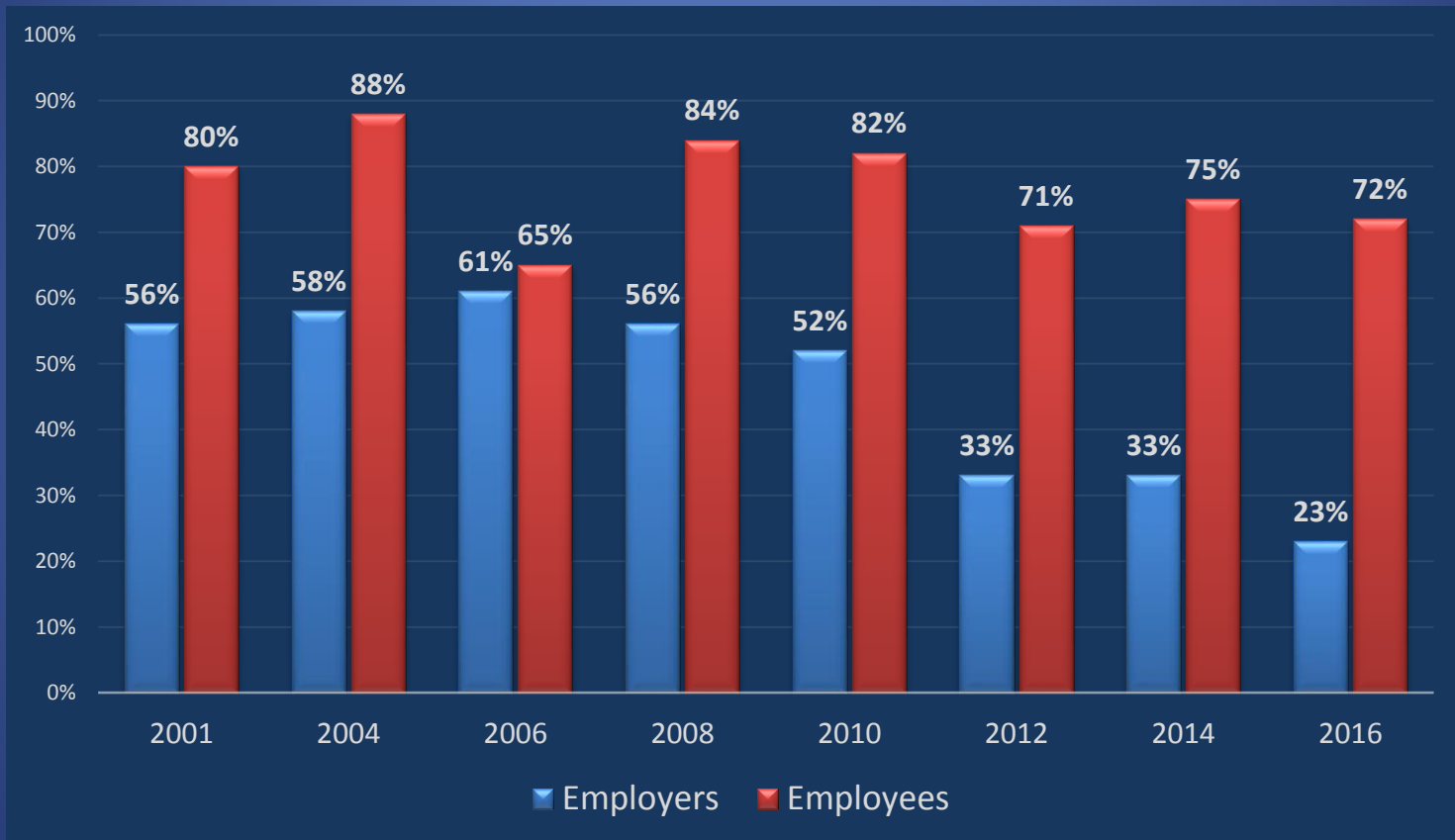


Note: Small employers have 1-49 employees, Medium employers have 50-99 employees, and Large employers have 100 or more employees.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

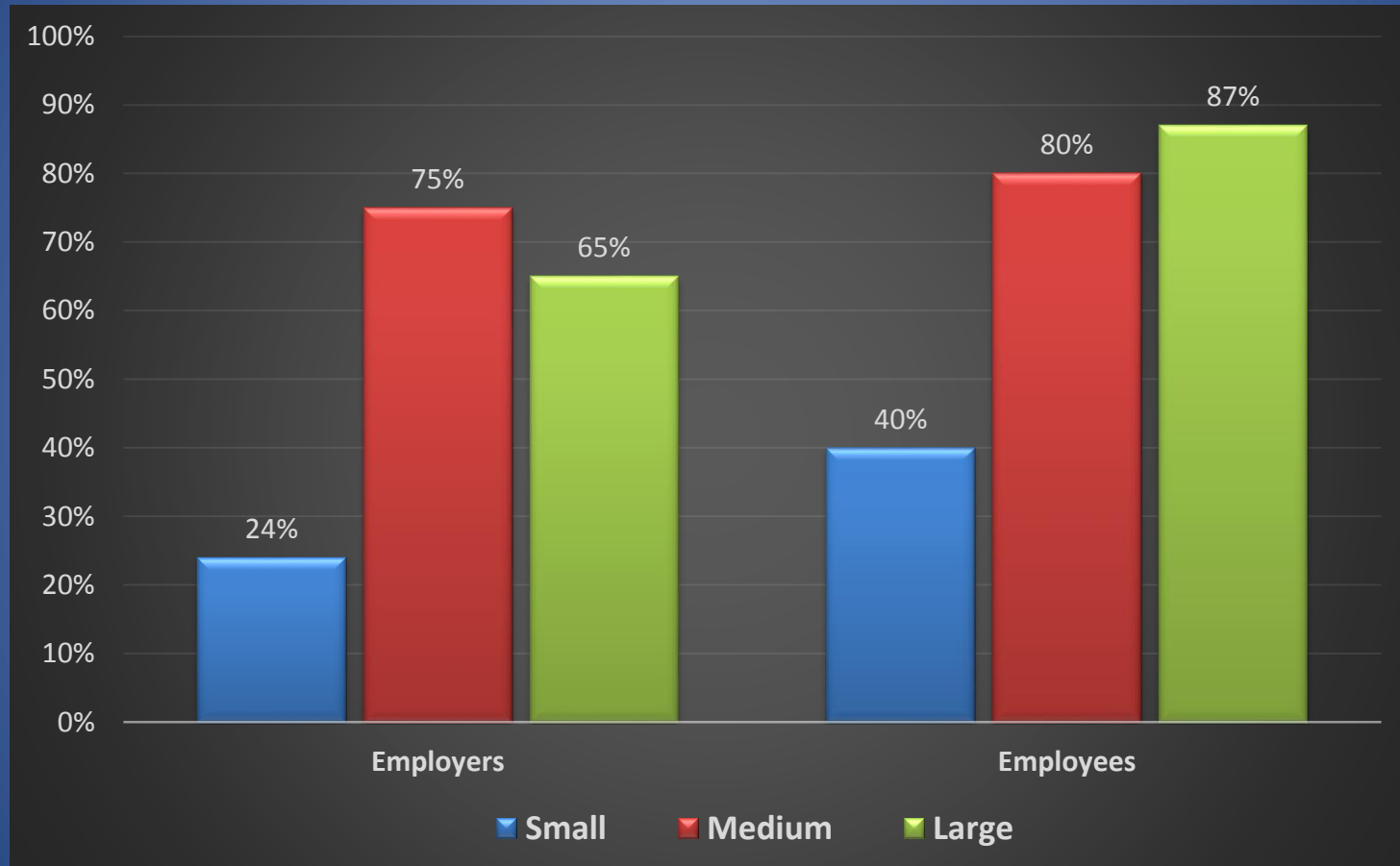
Non-subscriber alternative occupational benefit plans

Percentage of Non-subscribers That Pay Occupational Benefits and Percentage of Non-subscriber Employees Covered by Occupational Benefit Plans: 2001 – 2016 estimates



Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, 2001 estimates from the Research and Oversight Council on Workers' Compensation and the Public Policy Research Institute (PPRI) at Texas A&M University; and 2004 - 2016 estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI.

Percentage of Non-subscribers That Pay Occupational Benefits and Percentage of Non-subscriber Employees Covered by Occupational Benefit Plans, by Employer Size: 2016 estimates



Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPR!, 2016.

Estimated Number (%) of Private Sector Employers and Employees, by Subscription Status: 2012-2016

Employers	Subscribers			Non-subscribers		
	2012	2014	2016	2012	2014	2016
Number and Percentage of Texas Private-Sector Employers	226,000 (67%)	238,000 (67%)	285,000 (78%)	113,000 (33%)	119,000 (33%)	82,200 (22%)
Number and Percentage of Non-subscribers with Alternative Plans	N/A	N/A	N/A	37,290 (33%)	39,270 (33%)	18,906 (23%)
Number and Percentage of Non-subscribers without Alternative Plans	N/A	N/A	N/A	75,710 (67%)	79,730 (67%)	63,294 (77%)
Employees						
Number and Percentage of Texas Private-Sector Employees	7.25 million (81%)	7.7 million (80%)	8.1 million (82%)	1.7 million (19%)	1.9 million (20%)	1.77 million (18%)
Number and Percentage of Non-subscriber Employees covered in Non-subscriber Alternative Plans	N/A	N/A	N/A	1.2 million (71%)	1.43 million (75%)	1.3 million (72%)
Number and Percentage of Non-subscriber Employees without Non-subscriber Alternative Plans	N/A	N/A	N/A	0.5 m (29%)	0.47 million (25%)	0.4 million (28%)

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, estimates from the Texas Department of Insurance Workers' Compensation Research and Evaluation Group and PPRI, 2016.

Non-subscriber Alternative Occupational Benefit Plans 2016

- When asked if their company had one or more work-related injuries within the last 12 month 5 percent said yes.
- When asked if their company pay medical, wage replacement or other types of benefits to employees injured on-the-job, 23 percent said yes.
- When asked who administers the injured employees' claims in their company, 52 percent said an employee and 14 percent said a third party administrator (TPA).
- When asked if their nonsubscriber benefit plan and/or insurance policy have exclusions, 82 percent said yes.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Non-subscriber Alternative Occupational Benefit Plans with Exclusions 2016

Exclusions for which the nonsubscriber benefit plan and/or insurance policy <u>does not</u> provide coverage.	Non-subscribers with Alternative Plans
Chiropractic care	22%
Acupuncture	19%
Medical services or supplies which are experimental and investigational	12%
Injuries and deaths resulting from workplace violence	9%
Other exclusions*	16%

Note *: Other exclusions include: travel reimbursement if the injured employee must travel to receive medical care; specific injury conditions such as occupational diseases or repetitive trauma; injured employee choice of doctor; injuries not reported on the same day they occurred; and injuries and deaths resulting from acts of foreign terrorism.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Reporting Requirements in Non-subscriber Plans 2012-2016

Reporting Requirements by Non-subscribers who pay for Occupational Injury Benefits	Percent of all non-subscribers		
	2012	2014	2016
Immediately/Same day	62%	64%	66%
Within 24 hours/Next Day	24%	25%	19%
Other (includes timeframes within 2 to 60 days)	14%	11%	15%

Note: Approximately 23 percent of non-subscribers pay for occupational injury benefits. They were asked how soon after an employee has been injured must he or she report the injury to be eligible for benefits.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Medical Benefits Paid by Non-subscribers 2016

Of the 23 percent of non-subscribers that say they pay occupational injury benefits:

- 70 percent said they pay medical benefits for as long as they are medically necessary.
- 30 percent cap medical benefits based on the duration of treatment and/or amount of money spent on medical treatments or both.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Wage Replacement Benefits Paid by Non-subscribers 2016

Of the 23 percent of non-subscribers that say they pay occupational injury benefits:

- About 55 percent said they pay wage replacement benefits.
- Approximately 55 percent of non-subscribers who pay wage replacement benefits said their injured employees are immediately compensated for lost wages.
- The remaining 45 percent said there is a waiting period before wage replacement benefits begin:
 - 1-7 days (22 percent)
 - 8-14 days (5 percent)
 - 15 + days (4 percent)
 - Case by case (14 percent)

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Wage Replacement Benefits Paid by Non-subscribers 2016

Of those non-subscribers that pay wage replacement benefits (see slide #28):

- 72 percent said they pay wage replacement benefits based on the duration of lost time and/or the amount of money spent on wage replacement benefits.
- 27 percent also have income benefits separate from wage replacement benefits for permanent physical impairments.
- 30 percent pay accidental death, dismemberment, or other benefits for serious injuries.
- 77 percent said wage replacement benefits are reduced by federal income taxes and social security taxes.

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Non-subscribers with Death and Burial Benefits: 2012-2016

Types of death and burial benefits	Percent of the non-subscribers with death and burial benefits (see slide #29)		
	2012	2014	2016
If company has death benefits they are paid to the deceased worker's spouse	94%	60%	70%
If company has death benefits they are paid to the deceased worker's dependent children	72%	42%	42%
If company has death benefits they are paid to others (grandchildren, non-dependent parents)	19%	29%	14%
If death benefits paid, benefit plan covers burial benefits to help pay burial expenses	11%	37%	55%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

How Non-subscribers with Permanent Impairment Income Benefits Pay Those Benefits 2012-2016

How non-subscribers pay permanent impairment income benefits	Percent of the non-subscribers with permanent impairment income benefits (see slide #29)		
	2012	2014	2016
Lump sum payments	28%	34%	29%
Installment payments over specified period of time	58%	45%	52%
Other	14%	21%	19%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

How the Non-subscribers with Alternative Benefits Plans Finance their Occupational Benefits to Injured Employees 2012-2016

Primary ways non-subscribers finance benefits for on-the-job injuries	Percent of the non-subscribers with alternative benefits plan (23% of all non-subscribers)		
	2012	2014	2016
Through a special account that is self-funded and supplemented with non-subscriber insurance, including excess indemnity insurance, standard occupational accident insurance or some other alternative occupational benefits insurance	30%	32%	29%
Using the non-subscriber's group health insurance	17%	13%	15%
Through a special account that is self-funded exclusively by your company and not supplemented with nonsubscriber insurance	19%	22%	27%
Other (Company's account, sick leave, cash, savings plan between company and employee, etc.)	34%	34%	29%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Use of arbitration agreements by non-subscribers

Use of Arbitration by Non-subscribers in 2016

- Overall, 14% (unchanged since 2012) of current non-subscribers said that they ask their employees to sign an agreement stating that the employee will resolve disputes through arbitration.
- Approximately 66% (unchanged from 2014) of large non-subscribers use arbitration agreements.
- Approximately 88% of non-subscribers that use arbitration ask their employees to sign arbitration agreements when the employee is first hired (pre-injury).

Use of Arbitration by Non-subscribers in 2016

- Approximately 34% (41% in 2012 and 2014) of non-subscribers that use arbitration agreements said that an employee **would not receive medical and/or wage replacement benefits** if the employee did not agree to resolve disputes through arbitration.
- An estimated 66% (54% in 2014) of non-subscribers that use arbitration said an injured employee can **continue to receive benefits** even if the employee **does not agree** to resolve any disputes that arise from the work-related injury through mediation or arbitration.
- Overall, 65% (73% in 2014 and 68% in 2012) of non-subscribers that use arbitration said an employee can **continue to be employed** by the company even if the employee **does not agree** to resolve any disputes that arise from the work-related injury through mediation or arbitration.
- About 44 percent of the non-subscribers that use arbitration agreements said they have a requirement that the employee **pay all or a portion** of the arbitration costs.

Arbitration Agreements by Non-subscribers: 2012-2016

Does the arbitration agreement include the following:	Percent of Non-subscribers		
	2012	2014	2016
A requirement that the employee pay all or a portion of the arbitration costs	34%	16%	44%
A requirement that the employer is also required to submit to arbitration for any disputes that arise from the work-related injury	54%	50%	31%
A requirement the employee's continued employment constitutes acceptance of the employee's agreement to mediate or arbitrate any disputes that arise from work-related injuries	46%	35%	30%
A requirement that the employer is also bound by the result of the mediation or arbitration of the dispute	53%	55%	17%
A requirement that the employee voluntarily waives his or her right to arbitration if the employee fails to submit a written request for arbitration to the employer or respond to the selection of an arbiter within a pre-determined time frame	38%	39%	13%
A requirement that the arbitration take place in a specific geographic location	25%	27%	13%
A requirement that the employee forego recovery of his or her attorney fees	63%	24%	7%

Who generally serves as the arbiter in these disputes? 2012-2016

Types of Arbiters Used by Non-subscribers	Percent of Non-subscribers		
	2012	2014	2016
A member of the American Arbitration Association (AAA) or the National Arbitration Forum	23%	26%	14%
A single person who works for the company, mutually agreed upon by the employer and the employee	3%	4%	0.4%
A single person who works for the company, who always serves as the company's arbiter	15%	9%	38%
A panel of people who work for your company, who are mutually agreed upon by you and the employee	4%	1%	1%
Other	16%	37%	14%
Don't know	39%	23%	38%

Source: *Survey of Employer Participation in the Texas Workers' Compensation System*, Public Policy Research Institute at Texas A&M University and the Texas Department of Insurance Workers' Compensation Research and Evaluation Group, 2016.

Employers' knowledge about
workers' compensation
reporting requirements

Non-subscribers' Knowledge about Workers' Compensation Reporting Requirements: 2016

Non-subscribers' Knowledge	Percent of all Non-subscribers		
	Not at all knowledgeable	Somewhat knowledgeable	Extremely knowledgeable
All employers <u>without</u> workers' compensation insurance coverage are required to notify the Texas Department of Insurance, Division of Workers' Compensation of their coverage status at least annually through the filing of the <u>DWC Form-005</u>	56%	30%	14%
Employers <u>without</u> workers' compensation insurance coverage that have at least 5 employees are required to report <u>all</u> work-related deaths, occupational diseases and injuries resulting in at least one day of lost time to the Division of Workers' Compensation through the filing of the <u>DWC Form-007</u>	58%	28%	14%

Summary

- Overall, the employer subscription rate increased to 78 percent and the employee WC coverage rate increased to 82 percent.
- The primary reasons subscribers say they buy workers' compensation coverage was the ability to provide medical care to injured employees through networks, the belief it's required by law, and concerns about law suits.
- The primary reasons non-subscribers say they do not buy workers' compensation coverage was they had too few employees, it was not required by law, and that medical costs and premiums were too high.
- A higher percentage of Texas subscribers reported premium decreases in 2016 than any year since 2010.
- The percentage of employers reporting premium increases in 2016 remained unchanged since 2012.

Summary (Continued)

- Overall, Texas non-subscribers report higher levels of satisfaction than subscribers.
- An estimated 72 percent of employees employed by non-subscribers are covered by non-subscriber alternative occupational benefit plans that pay medical and/or wage benefits to injured employees.
- Generally, more than 40 percent of Texas non-subscribers say they are extremely or somewhat knowledgeable about the workers' compensation reporting requirements.



TEXAS DEPARTMENT OF INSURANCE

Workers' Compensation Research and Evaluation Group (107-WC)

333 Guadalupe, Austin, Texas 78701 ★ PO Box 149104, Austin, Texas 78714-9104
(512) 676-6820 | (800) 578-4677 | TDI.texas.gov | [@TexasTDI](https://twitter.com/TexasTDI)

REG's main Web page at the Texas Department of Insurance:

www.tdi.texas.gov/wc/regulation/roc

For more information, contact us at WCResearch@tdi.texas.gov.

Per Chapter 405 of the *Texas Labor Code*, the Workers' Compensation Research and Evaluation Group at the Texas Department of Insurance 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.