

**State of New York
Workers' Compensation Board**

**Special Disability Fund Assessment
Section 15-8 (h)
as of December 31, 2010**

Prepared by:

**Bureau of Finance and Policy
Office of Finance and Accounting**

**State of New York
Workers' Compensation Board**

In accordance with Section 15, Subdivision 8 (h), of the Workers' Compensation Law, the Chair of the Workers' Compensation Board assesses upon all self-insurers and insurance carriers, including the State Insurance Fund, a sum equal to one hundred and fifty percent of the net disbursements from the Special Disability Fund under Section 15, Subdivision 8 (h) for the calendar year ended December 31, 2010, less the net assets of the Fund at December 31, 2010 plus bond issuance debt service costs.

The net disbursements from the Special Disability Fund for the calendar year ended December 31, 2010, were \$570,871,312.36. One hundred and fifty percent of these disbursements is \$856,306,968.54. The net assets at December 31, 2010 are determined to be \$266,657,394.38. The bond issuance debt service costs are \$1,890,349.00. The amount of the assessment is \$591,539,923.16.

**Robert E. Beloten
Chair**

Dated: March 10, 2011

Albany, New York

**Workers' Compensation Board
Special Disability Fund
Section 15-8 (h)**

Disbursements - January 1, 2010-December 31, 2010

Award Payments - Compensation:		
Reimbursements To Carriers	\$458,431,348.77	
Bi-Weekly Payments	23,398.50	
Deduct: Repayment of Awards & Third Party Recoveries	<u>1,626,192.92</u>	
Sub-Total		\$456,828,554.35
Award Payments - Medical; Reimbursements To Carriers		
	\$152,620,903.72	
Deduct: Repayment of Awards & Third Party Recoveries	<u>209,580.70</u>	
Sub-Total		152,411,323.02
Expended For Defense of The Fund:		
	\$886,213.34	
Deduct: Repayment of Awards & Third Party Recoveries	<u>0.00</u>	
Sub-Total		886,213.34
Concurrent Employment:		
	\$11,445,021.65	
Deduct: Repayment of Awards & Third Party Recoveries	<u>0.00</u>	
Sub-Total		11,445,021.65
C-250 Fee Reimbursements		
	\$200.00	
Deduct: Repayment of Awards & Third Party Recoveries	<u>0.00</u>	
Sub-Total		<u>200.00</u>
Total Disbursements		\$621,571,312.36
Deduct: Current & Prior Year Section 32 Settlements		<u>50,700,000.00</u>
Net Disbursements		<u>\$570,871,312.36</u>
Net Disbursements x 150%		\$856,306,968.54
<u>Net Assets of Fund - December 31, 2010</u>		
Cash In Bank:		
Bank of America		\$848,474.56
Investments		
Repurchase Agreements - Schedule A-1	\$70,001,344.44	
Certificates of Deposit - Schedule A-2	65,053,541.67	
U.S. Treasuries Bills & Notes - Schedule A-3	<u>55,390,781.43</u>	190,445,667.54
Accrued Interest:		
Repurchase Agreements - Schedule A-1	\$6,583.42	
Certificates of Deposit - Schedule A-2	118,162.46	
U.S. Treasuries Bills & Notes - Schedule A-3	<u>238,506.40</u>	363,252.28
WAMO Bond Proceeds		<u>75,000,000.00</u>
Total Net Assets		\$266,657,394.38
WAMO Debt Service		<u>1,890,349.00</u>
AMOUNT TO BE ASSESSED		<u><u>\$591,539,923.16</u></u>

Mary Beth Woods
Director - WC Finance & Policy

**Workers' Compensation Board
Special Disability Fund
Repurchase Agreements
December 31, 2010**

Schedule A-1

<u>Securities</u>	<u>Purchase Price of Principal</u>	<u>Maturity Value</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Current Period Interest</u>	<u>Number of Days In Interest Period</u>	<u>Number of Days Accrued</u>	<u>Accrued Interest</u>
Repurchase Agreement	\$30,000,000.00	\$30,004,666.67	12/01/10	01/05/11	\$4,666.67	35	31	\$4,133.34
Repurchase Agreement	20,000,544.44	20,003,033.40	12/14/10	01/11/11	2,488.96	28	18	1,600.05
Repurchase Agreement	<u>20,000,800.00</u>	<u>20,002,783.41</u>	12/23/10	01/13/11	1,983.41	21	9	<u>850.03</u>
	<u>\$70,001,344.44</u>	<u>\$70,010,483.48</u>						<u>\$6,583.42</u>

**Workers' Compensation Board
Special Disability Fund
Certificates of Deposit
December 31, 2010**

Schedule A-2

<u>Securities</u>	<u>Purchase Price of Principal</u>	<u>Maturity Value</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Current Period Interest</u>	<u>Number of Days In Interest Period</u>	<u>Number of Days Accrued</u>	<u>Accrued Interest</u>
Certificate of Deposit	\$25,007,916.67	\$25,060,183.22	06/15/10	01/10/11	\$52,266.55	209	200	\$50,015.83
Certificate of Deposit	10,030,625.00	10,047,593.47	08/17/10	03/08/11	16,968.47	203	137	11,451.63
Certificate of Deposit	<u>30,015,000.00</u>	<u>30,094,706.50</u>	07/15/10	03/11/11	79,706.50	239	170	<u>56,695.00</u>
	<u>\$65,053,541.67</u>	<u>\$65,202,483.19</u>						<u>\$118,162.46</u>

**Workers' Compensation Board
Special Disability Fund
U.S. Treasury Bills and Notes
December 31, 2010**

Schedule A-3

<u>Securities</u>	<u>Purchase Price of Principal</u>	<u>Par Value</u>	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Current Period Interest</u>	<u>Number of Days In Interest Period</u>	<u>Number of Days Accrued</u>	<u>Accrued Interest</u>
U.S. Treasury Bill	\$29,972,133.33	\$30,000,000.00	12/01/10	05/26/11	\$27,866.67	176	31	\$4,908.33
U.S. Treasury Note	<u>25,418,648.10</u>	<u>25,000,000.00</u>	03/19/08	02/28/13	343,750.00	181	123	<u>233,598.07</u>
	<u>\$55,390,781.43</u>	<u>\$55,000,000.00</u>						<u>\$238,506.40</u>

**Special Disability Fund
Disbursements
2009 - 2010**

<u>Type of Reimbursement</u>	<u>2010</u>		<u>2009</u>	
	<u>Number of Payments</u>	<u>Disbursements</u>	<u>Number of Payments</u>	<u>Disbursements</u>
Compensation	76,091	\$458,431,348.77	81,915	\$469,817,637.16
Bi-Weekly Compensation	182	23,398.50	196	26,262.86
Medical	55,166	152,620,903.72	25,045	65,953,935.86
Defense of Fund	1,834	886,213.34	363	151,022.14
Concurrent Employment	2,201	11,445,021.65	1,936	8,545,376.85
C-250 Fees	<u>1</u>	<u>200.00</u>	<u>255</u>	<u>51,000.00</u>
	<u>135,475</u>	<u>\$623,407,085.98</u>	<u>109,710</u>	<u>\$544,545,234.87</u>

The average compensation reimbursement went from \$5,735 in 2009 to \$6,025 in 2010.

**Special Disability Fund
Section 15-8
Disbursements 2004 - 2010**

<u>Type of Disbursement</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Compensation	\$458,431,348.77	\$469,817,637.16	\$379,338,706.43	\$378,028,350.48	\$424,745,640.93	\$454,659,646.90	\$442,424,317.50
Bi-Weekly Compensation	23,398.50	26,262.86	30,116.78	33,957.64	55,153.25	97,708.76	49,602.15
Medical	152,620,903.72	65,953,935.86	106,818,166.83	96,089,445.64	64,809,819.26	72,782,912.72	41,869,798.10
Defense of Fund	886,213.34	151,022.14	106,019.20	95,569.59	92,555.77	113,399.27	140,257.44
Concurrent Employment	11,445,021.65	8,545,376.85	14,590,015.18	16,265,878.72	10,379,939.83	13,585,787.85	12,921,598.90
C-250 Fee Reimbursements	<u>200.00</u>	<u>51,000.00</u>	<u>35,800.00</u>	<u>3,800.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Sub-Total Disbursements	\$623,407,085.98	\$544,545,234.87	\$500,918,824.42	\$490,517,002.07	\$500,083,109.04	\$541,239,455.50	\$497,405,574.09
Less: Third Party Recoveries	<u>1,835,773.62</u>	<u>2,153,116.69</u>	<u>2,949,736.77</u>	<u>2,819,096.26</u>	<u>1,479,657.80</u>	<u>3,144,990.10</u>	<u>2,423,048.62</u>
Total Disbursements	\$621,571,312.36	\$542,392,118.18	\$497,969,087.65	\$487,697,905.81	\$498,603,451.24	\$538,094,465.40	\$494,982,525.47
Less: Section 32 Settlements	<u>50,700,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Disbursements	<u>\$570,871,312.36</u>	<u>\$542,392,118.18</u>	<u>\$497,969,087.65</u>	<u>\$487,697,905.81</u>	<u>\$498,603,451.24</u>	<u>\$538,094,465.40</u>	<u>\$494,982,525.47</u>
<u>Number Of Payments</u>							
Compensation	76,091	81,915	55,651	58,080	69,014	74,809	56,784
Bi-Weekly Compensation	182	196	248	260	296	312	315
Medical	55,166	25,045	33,918	26,825	21,793	25,461	14,620
Defense of Fund	1,834	363	384	381	420	581	733
Concurrent Employment	2,201	1,936	2,715	2,506	1,919	2,028	2,172
C-250 Fee Reimbursements	<u>1</u>	<u>255</u>	<u>179</u>	<u>19</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Number of Payments	<u>135,475</u>	<u>109,710</u>	<u>93,095</u>	<u>88,071</u>	<u>93,442</u>	<u>103,191</u>	<u>74,624</u>
Average Compensation Reimbursement	<u>\$6,025</u>	<u>\$5,735</u>	<u>\$6,816</u>	<u>\$6,509</u>	<u>\$6,154</u>	<u>\$6,078</u>	<u>\$7,791</u>

**Special Disability Fund
Section 15-8
Second Injury Fund Assessment
2004-2010**

<u>Disbursements</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Indemnity Benefits	\$456,828,554.35	\$467,842,741.76	\$376,488,395.65	\$375,290,655.25	\$423,353,100.96	\$451,711,094.49	\$440,065,910.94
Medical Benefits	152,411,323.02	65,801,977.43	106,748,926.65	96,042,002.25	64,777,854.68	72,715,572.62	41,869,798.10
Defense of Fund	886,213.34	151,022.14	105,950.17	95,569.59	92,555.77	113,399.27	140,257.44
Concurrent Employment	11,445,021.65	8,545,376.85	14,590,015.18	16,265,878.72	10,379,939.83	13,554,399.02	12,906,558.99
C-250 Fee Reimbursements	<u>200.00</u>	<u>51,000.00</u>	<u>35,800.00</u>	<u>3,800.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Disbursements	\$621,571,312.36	\$542,392,118.18	\$497,969,087.65	\$487,697,905.81	\$498,603,451.24	\$538,094,465.40	\$494,982,525.47
Less: Section 32 Settlements	<u>50,700,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Disbursements	\$570,871,312.36	\$542,392,118.18	\$497,969,087.65	\$487,697,905.81	\$498,603,451.24	\$538,094,465.40	\$494,982,525.47
Net Disbursements x 150%	\$856,306,968.54	\$813,588,177.27	\$746,953,631.48	\$731,546,858.72	\$747,905,176.86	\$807,141,698.10	\$742,473,788.21
Less: Net Assets	<u>266,657,394.38</u>	<u>206,799,636.52</u>	<u>245,849,453.69</u>	<u>279,382,556.74</u>	<u>327,640,105.22</u>	<u>210,750,761.17</u>	<u>155,993,017.77</u>
Balance	\$589,649,574.16	\$606,788,540.75	\$501,104,177.79	\$452,164,301.98	\$420,265,071.64	\$596,390,936.93	\$586,480,770.44
Add: WAMO Debt Service	<u>1,890,349.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
ASSESSMENT	<u>\$591,539,923.16</u>	<u>\$606,788,540.75</u>	<u>\$501,104,177.79</u>	<u>\$452,164,301.98</u>	<u>\$420,265,071.64</u>	<u>\$596,390,936.93</u>	<u>\$586,480,770.44</u>
Receipts	\$607,824,678.74	\$503,022,360.57	\$464,323,925.83	\$440,789,981.12	\$613,267,199.41	\$592,585,667.28	\$485,000,510.96
Interest On Investments	\$3,524,134.74	\$4,103,768.57	\$9,534,845.33	\$21,934,825.13	\$18,147,888.80	\$8,846,774.27	\$3,172,892.42
C-250 Fees	\$96,475.00	\$576,750.00	\$2,306,900.00	\$4,152,750.00	\$0.00	\$0.00	\$0.00
<u>Increase on Disbursements Over Prior Year</u>							
Indemnity Benefits	\$80,340,158.70	\$91,354,346.11	\$1,197,740.40	(\$48,062,445.71)	(\$28,357,993.53)	\$11,645,183.55	\$75,439,322.40
Medical Benefits	45,662,396.37	(40,946,949.22)	10,706,924.40	31,264,147.57	(7,937,717.94)	30,845,774.52	(14,493,737.73)
Defense of Fund	780,263.17	45,071.97	10,380.58	3,013.82	(20,843.50)	(26,858.17)	(1,580.92)
Concurrent Employment	(3,144,993.53)	(6,044,638.33)	(1,675,863.54)	5,885,938.89	(3,174,459.19)	647,840.03	1,468,535.16
C-250 Fee Reimbursements	<u>(35,600.00)</u>	<u>15,200.00</u>	<u>32,000.00</u>	<u>3,800.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Totals	<u>\$123,602,224.71</u>	<u>\$44,423,030.53</u>	<u>\$10,271,181.84</u>	<u>(\$10,905,545.43)</u>	<u>(\$39,491,014.16)</u>	<u>\$43,111,939.93</u>	<u>\$62,412,538.91</u>

**Special Disability Fund
Summary of Assessment Rates**

<u>Period</u>	<u>Amount Assessed</u>	<u>Compensation Payments</u>	<u>Assessment Rate</u>
03/31/49	\$209,056.53	\$67,365,019.14	0.00310
03/31/50	208,324.21	74,809,048.09	0.00278
03/31/51	267,693.50	80,262,692.29	0.00333
03/31/52	540,489.58	89,593,181.31	0.00603
03/31/53	831,518.39	91,165,928.32	0.00912
03/31/54	1,087,415.53	93,401,581.55	0.01164
03/31/55	1,376,897.98	95,756,284.47	0.01437
03/31/56	1,711,781.09	95,911,615.73	0.01784
03/31/57*	1,781,561.28	97,850,141.94	0.01820
*Special 1%	978,501.42	97,850,141.94	0.01000
12/31/57	1,706,209.55	98,292,762.50	0.01735
12/31/58	4,702,251.07	98,735,602.51	0.04762
12/31/59	2,952,725.48	105,281,159.55	0.02804
12/31/60	2,597,121.71	108,369,843.96	0.02396
12/31/61	6,204,745.26	107,144,175.52	0.05791
12/31/62	5,284,523.25	110,940,424.23	0.04763
12/31/63	5,529,798.00	117,160,172.00	0.04719
12/31/64	5,485,978.00	120,879,389.00	0.04538
12/31/65	6,770,635.00	124,099,837.00	0.05455
12/31/66	6,905,141.00	132,511,003.00	0.05210
12/31/67	8,886,815.00	142,992,985.00	0.06214
12/31/68	9,181,248.00	147,603,062.00	0.06220
12/31/69	8,428,090.00	156,323,906.00	0.05391
12/31/70	7,867,383.00	176,957,331.00	0.04440
12/31/71	15,670,073.74	191,447,924.00	0.08185
12/31/72	17,678,161.82	209,009,056.00	0.08458
12/31/73	18,770,946.40	217,409,642.00	0.08634
12/31/74	11,606,097.46	225,585,350.00	0.05145
12/31/75	17,427,275.32	246,222,906.00	0.07077
12/31/76	18,048,408.17	274,475,053.00	0.06575
12/31/77	20,054,784.48	298,934,760.00	0.06708
12/31/78	26,479,046.31	305,030,073.00	0.08680
12/31/79	17,636,960.63	330,705,400.00	0.05333
12/31/80	25,045,878.75	397,701,747.00	0.06297
12/31/81	47,097,142.31	420,692,188.00	0.11195
12/31/82	17,810,565.21	454,735,335.00	0.03916
12/31/83	38,985,454.65	498,921,019.00	0.07813
12/31/84	22,360,972.97	509,389,010.00	0.04389
12/31/85	34,401,533.76	569,085,191.00	0.06045
12/31/86	45,831,692.07	626,319,775.00	0.07318
12/31/87	51,461,790.60	723,777,680.00	0.07110
12/31/88	63,779,970.62	789,165,732.00	0.08082
12/31/89	75,317,164.16	889,836,791.00	0.08464
12/31/90	114,165,135.49	992,468,004.00	0.11503
12/31/91	87,030,361.51	1,090,718,090.00	0.07979
12/31/92	148,890,127.38	1,287,679,181.00	0.11563
12/31/93	106,375,885.88	1,375,397,905.00	0.07734
12/31/94	201,222,785.23	1,490,505,518.00	0.13500
12/31/95	289,019,787.78	1,667,747,693.00	0.17330
12/31/96 **	261,497,108.35	1,665,352,935.00	0.15702
12/31/97	234,773,874.39	1,641,989,484.00	0.14298
12/31/98	286,681,134.32	1,805,133,790.00	0.15881
12/31/99 ***	410,843,922.52	N/A	N/A
12/31/00	451,229,861.61	N/A	N/A
12/31/01	384,137,861.20	N/A	N/A
12/31/02	410,842,354.63	N/A	N/A
12/31/03	482,797,219.55	N/A	N/A
12/31/04	586,480,770.44	N/A	N/A
12/31/05	596,390,936.93	N/A	N/A
12/31/06	420,265,071.64	N/A	N/A
12/31/07	452,164,301.98	N/A	N/A
12/31/08	501,104,177.79	N/A	N/A
12/31/09	606,788,540.75	N/A	N/A
12/31/10	591,539,923.16	N/A	N/A

** - Effective 1996, the calculation factor was reduced from 175% to 150%.
 *** - Effective 1/1/2000, the way the assessment was apportioned changed.