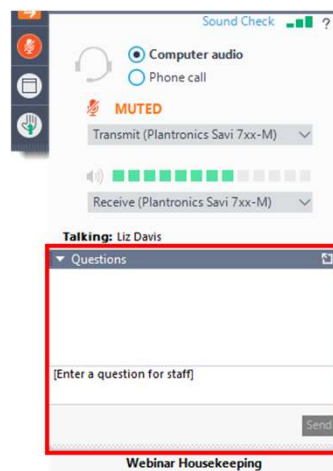


### About WCRI

- Independent, not-for-profit research organization providing high-quality, objective information about public policy issues involving workers' compensation systems
- We serve as a resource for public officials and stakeholders, but we do not make recommendations or take positions
- Studies are peer-reviewed with a focus on benefit delivery
- Diverse membership support, including gov't agencies, employers, insurers, labor unions, service providers, etc.

## About the Webinar

- The webinar is 45 minutes long, consisting of 35 minutes of presentation followed by 10 minutes for your questions.
- To submit a question, use the “Questions” box located on the right-hand side of your screen
- If you are having issues with your connection or audio, talk to your IT Department and/or GoToWebinar at 1-800-263-6317



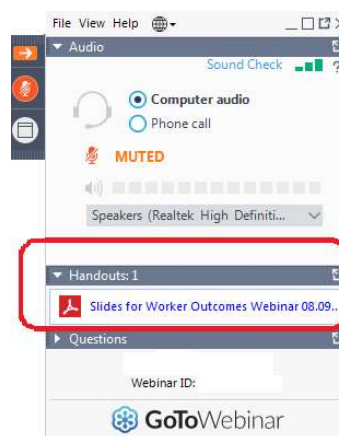
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## About the Webinar (Cont.)

- A copy of the slides can be downloaded under “Handouts” on the right-hand side of your screen
- Today’s presentation is being recorded and will be provided within 24 hours
- At the end of the webinar we ask that you take a short online survey. **For every completed survey, WCRI will donate \$2.00 to Kids’ Chance**



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## Areas of WCRI Research

Access to Care	Behavioral Health	COVID-19	Excessive Heat	Fee Schedules
Litigation & Dispute Resolution	Medical Prices & Utilization	Outcomes for Injured Workers	Physical Medicine	Physician Dispensing
Prescription Drugs and Opioids	Provider Choice	State Comparison Studies on Income and Medical Benefits	Treatment Guidelines	Workers' Compensation Inventories

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## Presenters



**MS. RAMONA P. TANABE**  
President and CEO

Ms. Tanabe assumed the duties of president and CEO on May 1, 2023. Since joining the Institute in 1996, Tanabe has held a number of key leadership positions at WCRI, among them leading the Institute's flagship line of core benchmarking studies, designing and conducting studies on workplace health policy, and managing WCRI's data collection and technology investments. She has also provided legal counsel, testified at governmental hearings, and managed core operations on behalf of the Institute. Before joining the Institute, she was with a private law firm in Chicago, specializing in municipal financing and school law.



**DR. REBECCA YANG**  
Senior Public Policy Analyst

Dr. Yang is one of the lead authors of the CompScope™ studies that benchmark the performance of state workers' compensation systems. She also co-authors studies that examine the prices paid for medical services in workers' compensation across states, including the medical price index and hospital outpatient payment index studies. Additionally, she conducts research on the effect of fee schedule reforms in particular states. She also serves as the lead technical expert for the CompScope™ studies and oversees the data quality assurance process as well as research design and methods. Dr. Yang received her Ph.D. from the University of Texas at Dallas.

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## Selected Research Findings for Florida

- How the medical workforce has changed
- Recent cost trends & early fee schedule impact
- How Florida compares
- Rx drug payments and trends
- Effect of comorbid conditions in WC
- Impact of heat on claims

Key: Rx: prescription(s). WC: workers' compensation.

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## Changes in Medical Workforce and Impact on Claims



## Long-Lasting Concerns About Medical Workforce Composition

### Increasing Demand for Medical Care

- Aging population
- Population growth
- Prevalence of chronic conditions

### Concerns About Provider Supply

- Retirement of physicians
- Caps on residency training positions
- Fewer medical students choosing primary care

### Predicted Shortages

- A shortage of **37,800–124,000** physicians by 2034
- A shortage of **200,000–450,000** registered nurses by 2025

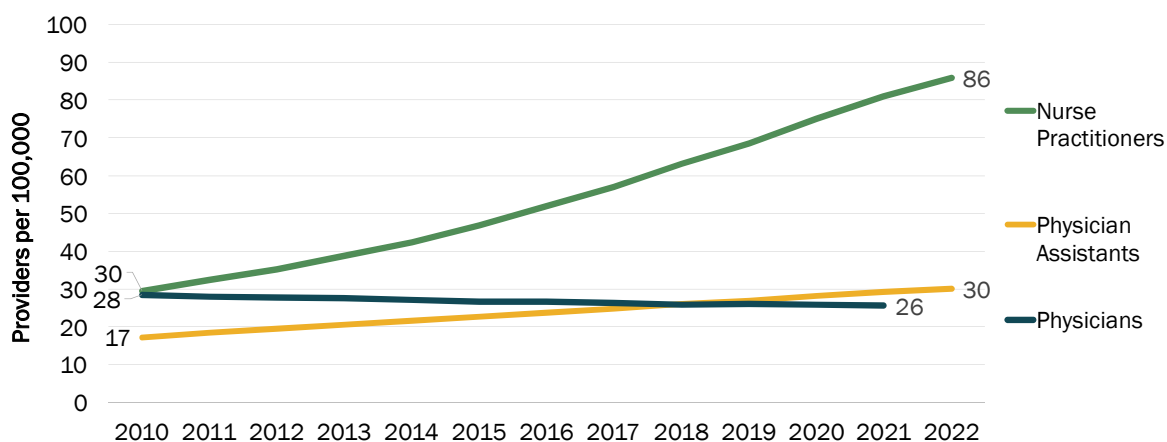
Source: *Changes in Medical Workforce and Impact on Claims* (2025).

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## Nurse Practitioners (NPs) and Physician Assistants (PAs) May Offset Physician Shortages



County average number of providers.

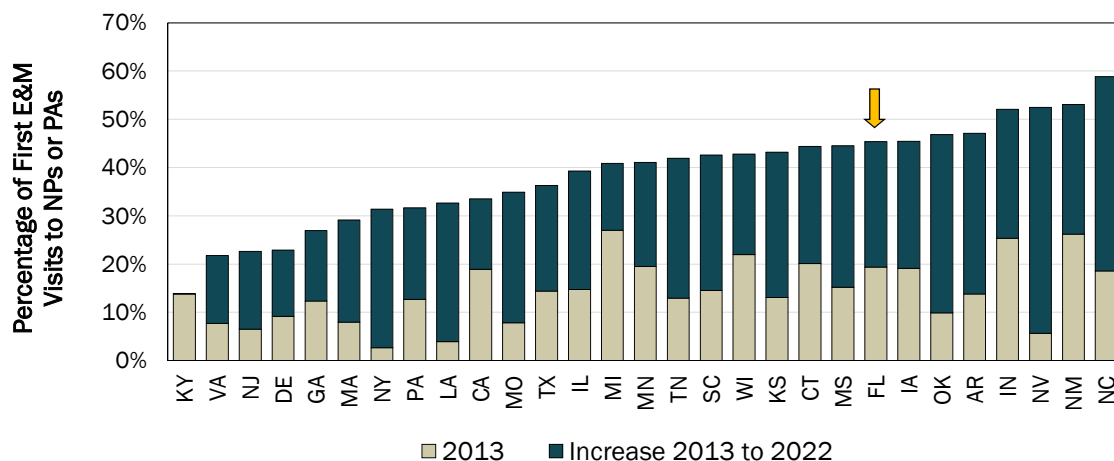
Source: *Changes in Medical Workforce and Impact on Claims* (2025).

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## Share of E&M Visits to Advanced Practitioners (NPs & PAs) Increased in Florida and Most States



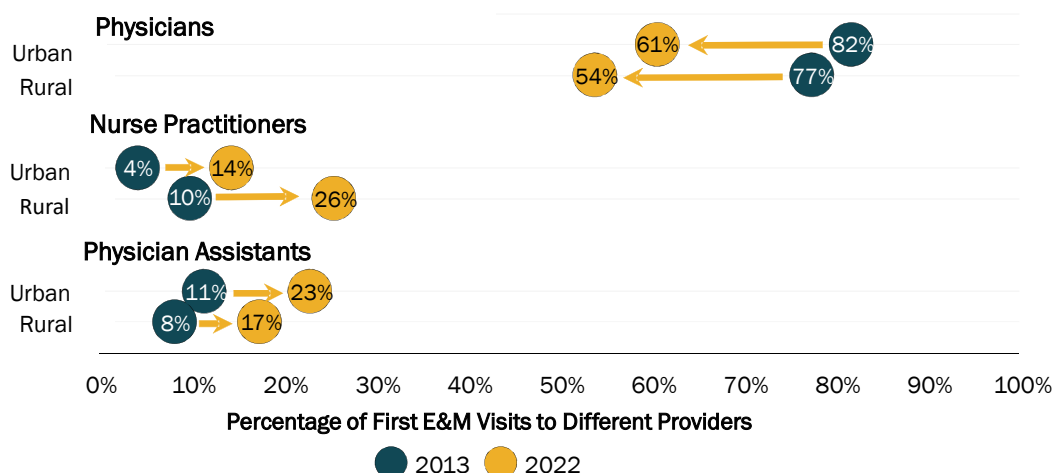
E&M: Evaluation and management (office visits); results are based on all claims.  
Source: *Changes in the Medical Workforce and Impact on Claims* (2025).

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## Shifts to Nurse Practitioners Were Larger in Rural Areas



Key: E&M: Evaluation and management (office visits).  
Source: *Changes in Medical Workforce and Impact on Claims* (2025).

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## Main Findings – *Changes in Medical Workforce and Impact on Claims*

- Types of providers treating workers' compensation patients changed substantially since 2013
  - Physicians involved in fewer visits, nurse practitioners and physician assistants involved in more
- Changes in provider supply
  - Affected who provides care to workers' compensation patients
- Provider vacancies had little effect on claim outcomes

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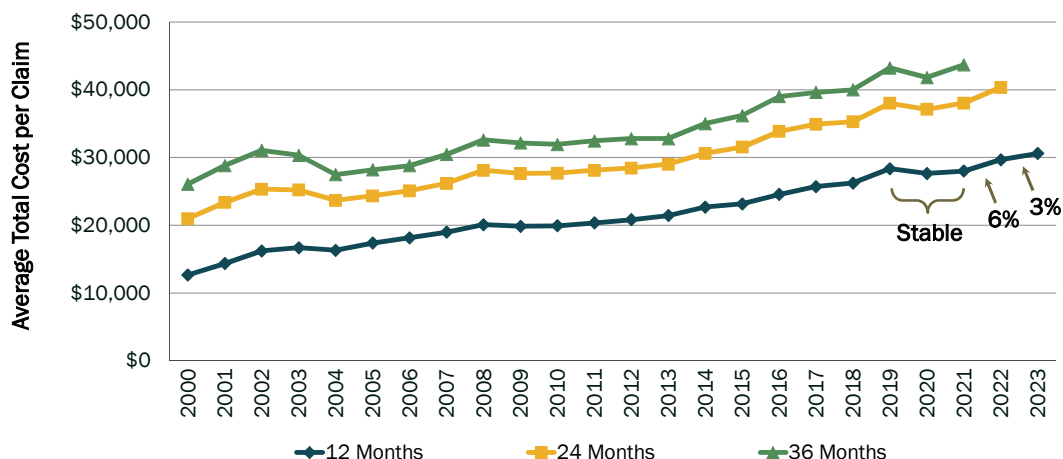
13



## Recent Cost Trends and Early Impact of Fee Schedule Changes



## Florida Total Costs per Claim Grew in Recent Years

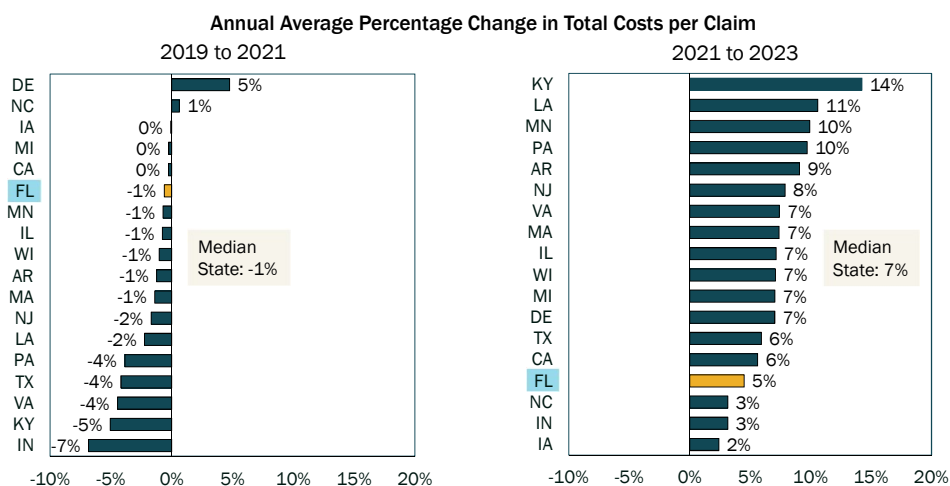


Non-COVID-19 claims with >7 days of lost time, not adjusted for injury/industry mix.  
Source: CompScope™ Benchmarks for Florida, 2025 Edition (2025).  
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## Total Costs per Claim Increased in Nearly All Study States 2021–2023, Including Florida



Change in total costs per claim between 2019 and 2023, non-COVID-19 claims with >7 days of lost time at 12 months of experience, not adjusted for injury/industry mix and wages. Source: CompScope™ Benchmarks for Florida, 2025 Edition (2025).

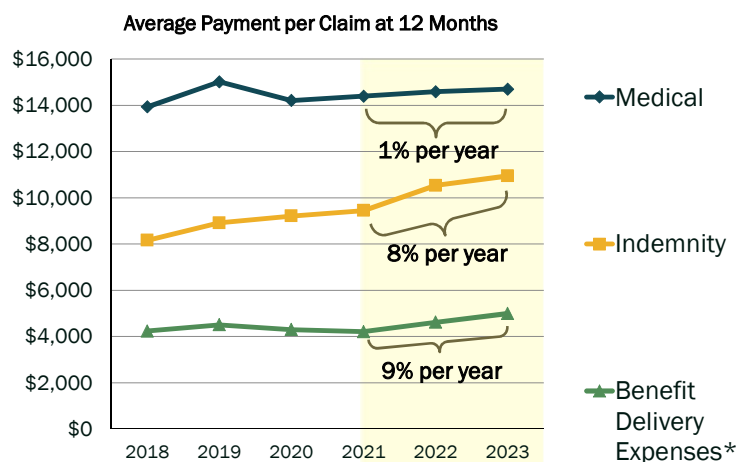
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## 2021–2023: FL Indemnity Growth Mainly from Wage Increase; Fee Schedule Changes Contributed to Medical Stability



### Medical: stable

- Hospital payments per claim fell 11% in 2023 following fee schedule changes
- Utilization stable

### Indemnity: increase

- Wages grew 7% per year, reflecting labor market conditions

\* Per claim with benefit delivery expenses.

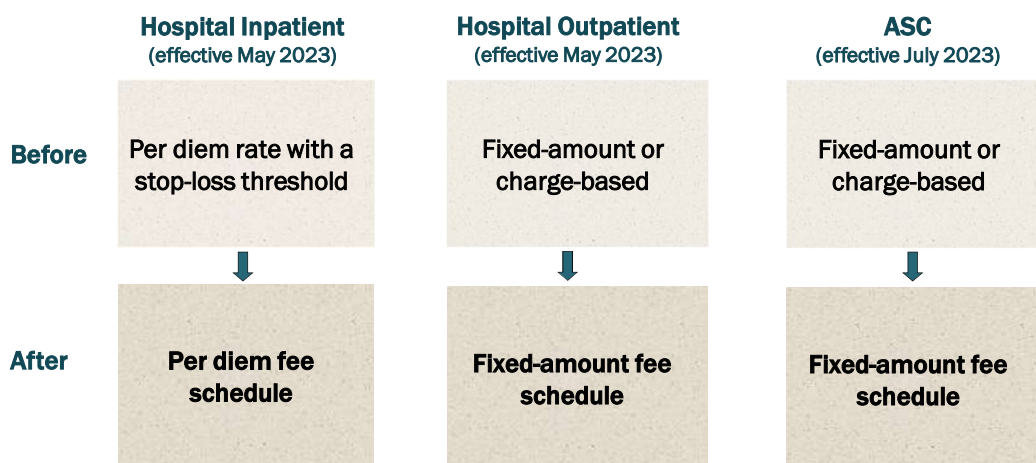
Non-COVID-19 claims with >7 days of lost time at 12 months of experience, not adjusted for injury/industry mix and wages.  
Source: CompScope™ Benchmarks for Florida, 2025 Edition (2025).

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## Recent Changes in Florida Hospital and ASC Fee Schedules



Key: ASC: ambulatory surgery center.

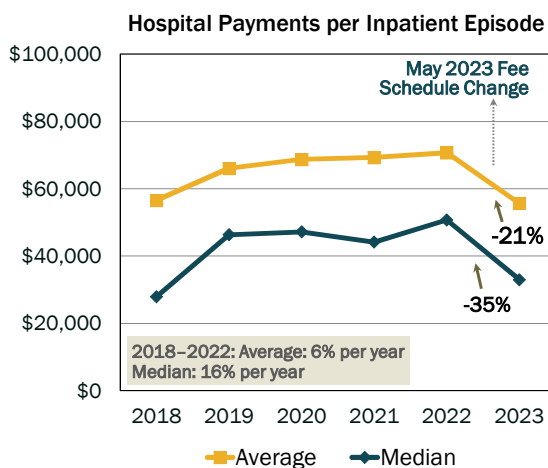
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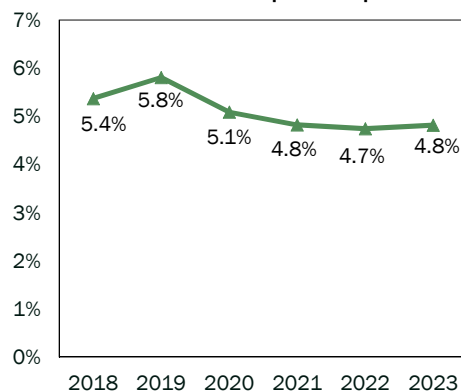


Preliminary Findings – Subject to Change

## Sizeable Decrease in Florida Hospital Payments per Inpatient Episode in 2023 Following Fee Schedule Change



**% of Claims with Inpatient Episodes**



Non-COVID-19 claims with >7 days of lost time at 12 months of experience, not adjusted for injury/industry mix.  
Source: CompScope™ Medical Benchmarks for Florida, 2025 Edition (forthcoming).

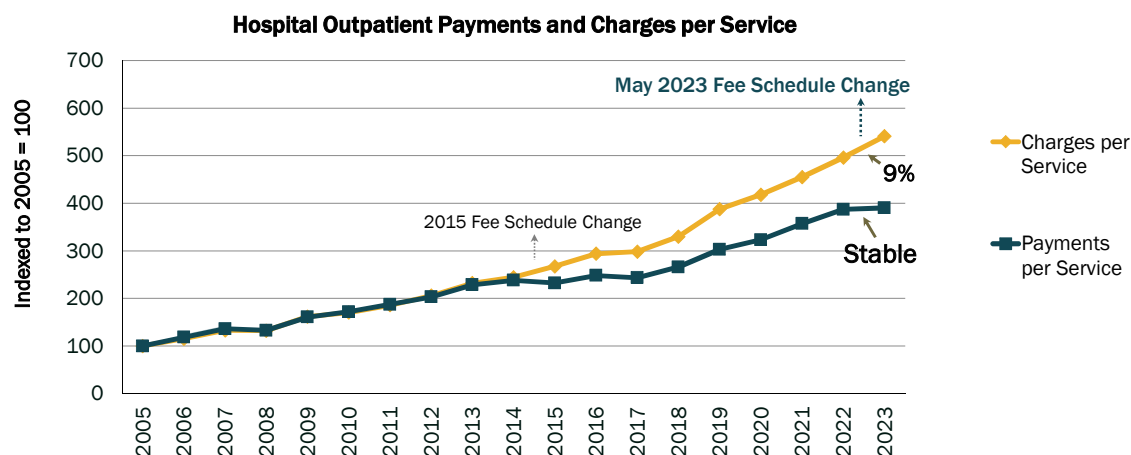
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Preliminary Findings – Subject to Change

## FL Hospital Outpatient Payments per Service Stable Following 2023 Fee Schedule Change, While Charges Continued to Grow



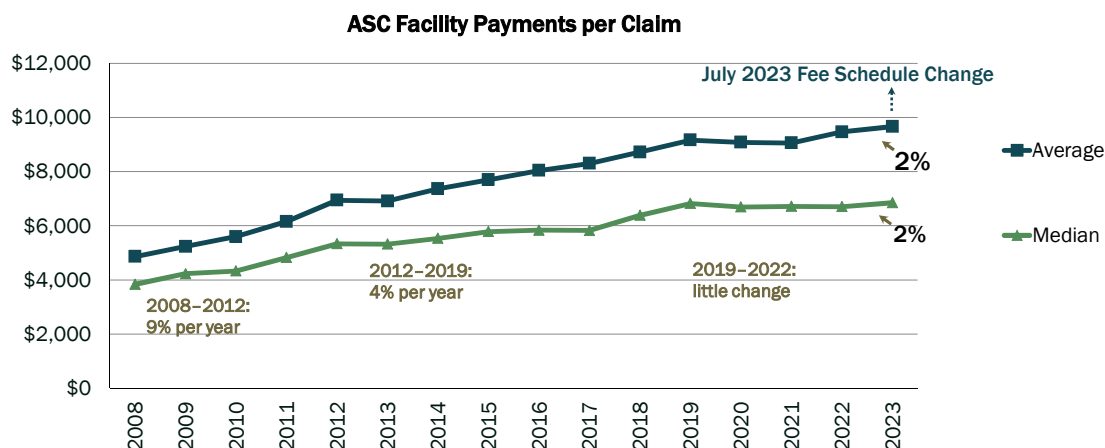
Non-COVID-19 claims with >7 days of lost time at 12 months of experience, not adjusted for injury/industry mix.  
Source: CompScope™ Medical Benchmarks for Florida, 2025 Edition (forthcoming).

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## ASC Facility Payments per Claim in Florida Fairly Stable Since 2019



Non-COVID-19 claims with >7 days of lost time at 12 months of experience, not adjusted for injury/industry mix.  
Source: CompScope™ Medical Benchmarks for Florida, 2025 Edition (forthcoming).  
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## Recent Changes in Florida Nonhospital Professional Fee Schedule

### Effective January 2025 (SB 362)

- **Increase maximum reimbursement rates (MRAs):**
  - **Physician services: from 110% to 175% of Medicare**
  - **Surgical procedures: from 140% to 210% of Medicare**

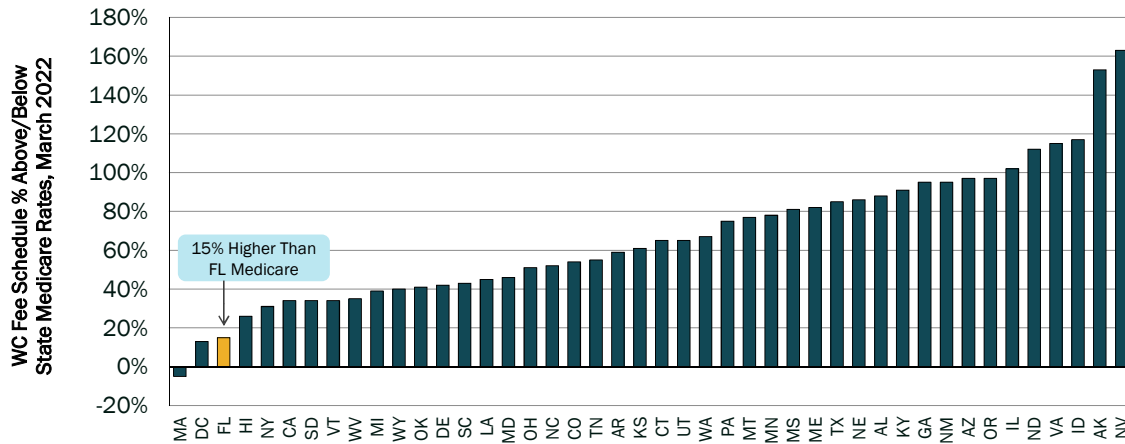
Key: SB: Senate bill.

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## Florida Fee Schedule for Professional Services Used to Be Among the Lowest Nationwide (as of 2022)



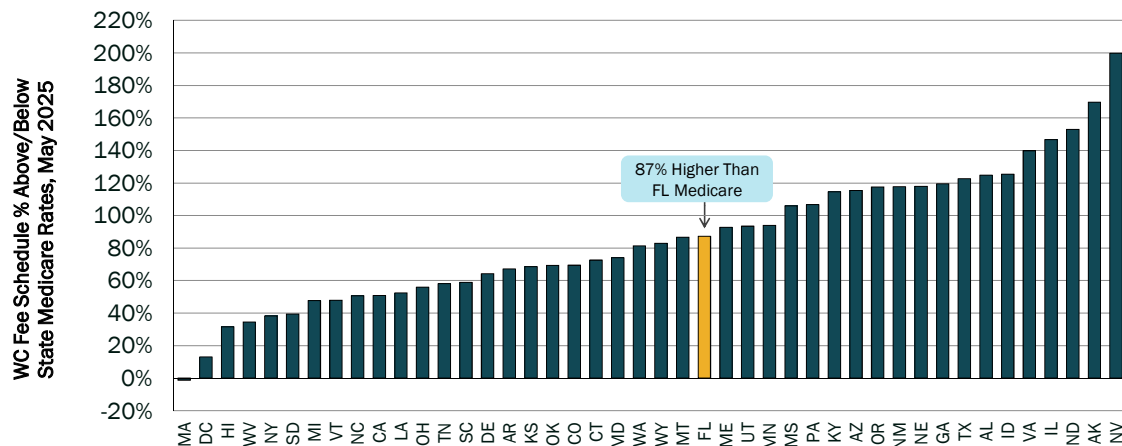
Source: Designing Workers' Compensation Medical Fee Schedules, 2022 (2022).

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## After SB 362 Went into Effect, Florida Fee Schedule Level for Professional Services Became Typical of States in 2025



Source: Designing Workers' Compensation Medical Fee Schedules, 2025 (2025).

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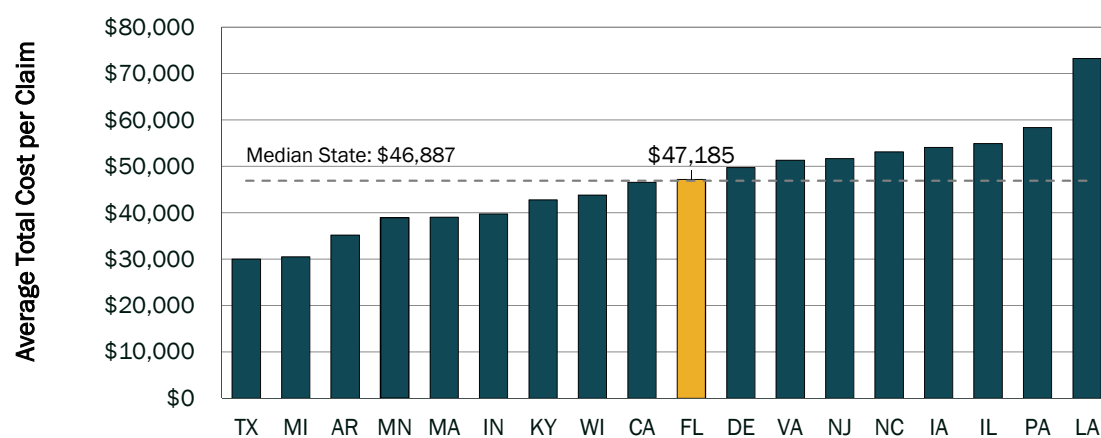
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## How Does Florida Compare with Other States?

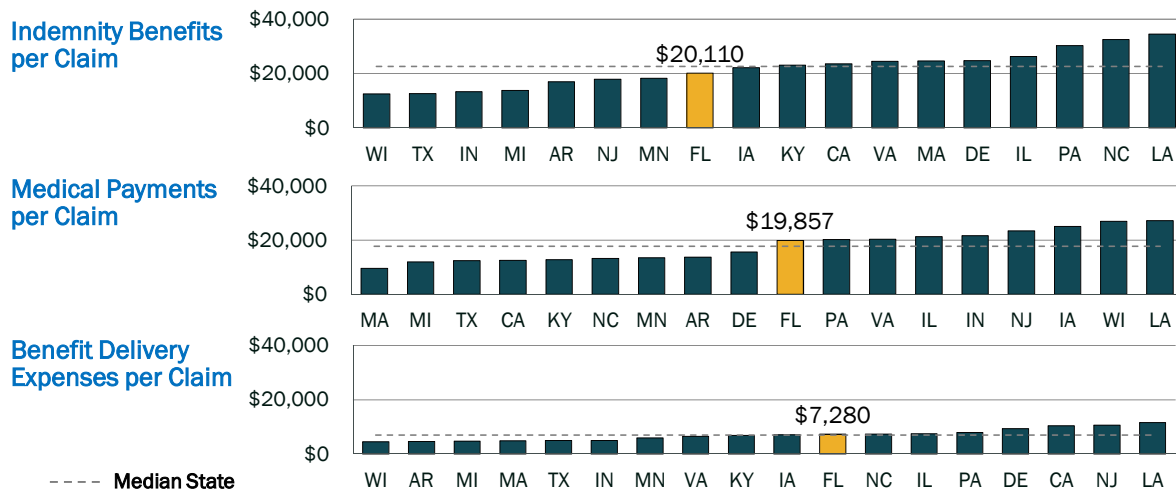


### Florida Total Costs per Claim with >7 Days of Lost Time Typical of Study States



2021/24 non-COVID-19 claims with >7 days of lost time, adjusted for injury/industry mix and wages.  
Source: CompScope™ Benchmarks for Florida, 2025 Edition (2025).

## Key Cost Components in Florida Ranked in the Middle of Study States



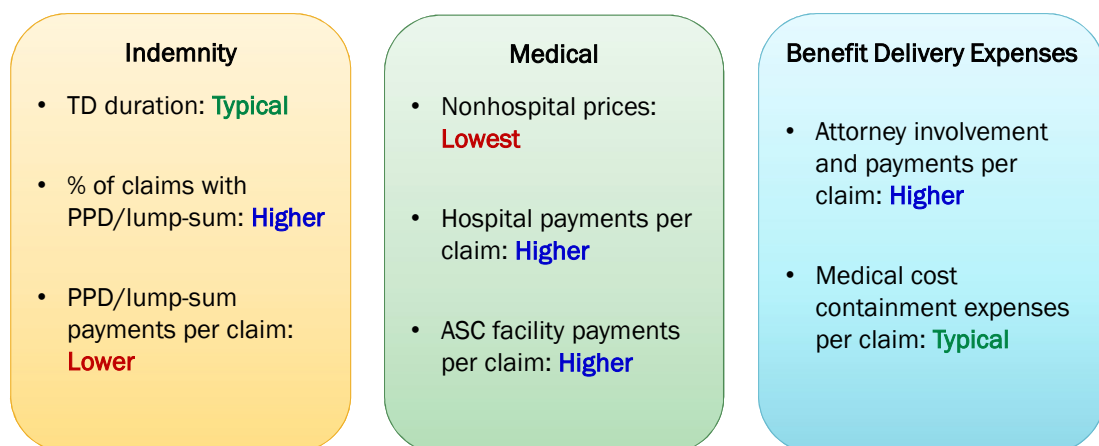
2021/24 non-COVID-19 claims with >7 days of lost time. Indemnity benefits are adjusted for injury/industry mix and wages; all other measures are adjusted for injury/industry mix. Source: *CompScope™ Benchmarks for Florida, 2025 Edition* (2025).

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## Typical Cost Components in Florida Mask Offsetting Factors



Key: PPD: permanent partial disability. TD: temporary disability.  
Source: *CompScope™ Benchmarks for Florida, 2025 Edition* (2025).

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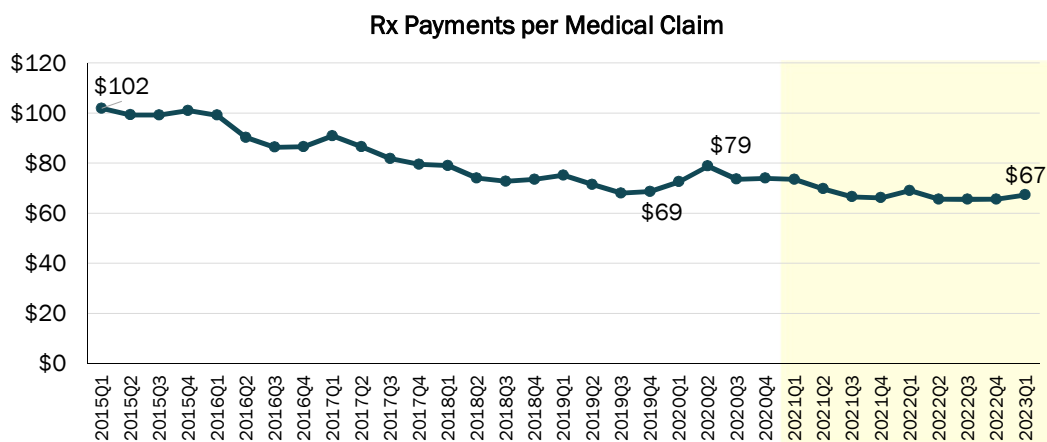
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## Prescription Drug Payments and Trends in Workers' Compensation



### How Did Rx Drug Payments Change Between 2015 and 2023?



Data include prescriptions (Rx) and medical utilization between 2015Q1 and 2023Q1, for all medical claims with injuries occurring within three years prior to the service date. Source: *Interstate Variation and Trends in WC Drug Payments, 5th Edition (2024)*.

## Dermatologicals, NSAIDs Are Top Drug Groups By Payment Share

- Dermatologicals (Lidoderm®, Terocin® patch, Voltaren® gel)
- NSAIDs (Celebrex, Mobic)
- Anticonvulsants (Lyrica, Neurontin)
- Musculoskeletal therapy agents (Flexeril)
- Opioids and compounds in earlier years

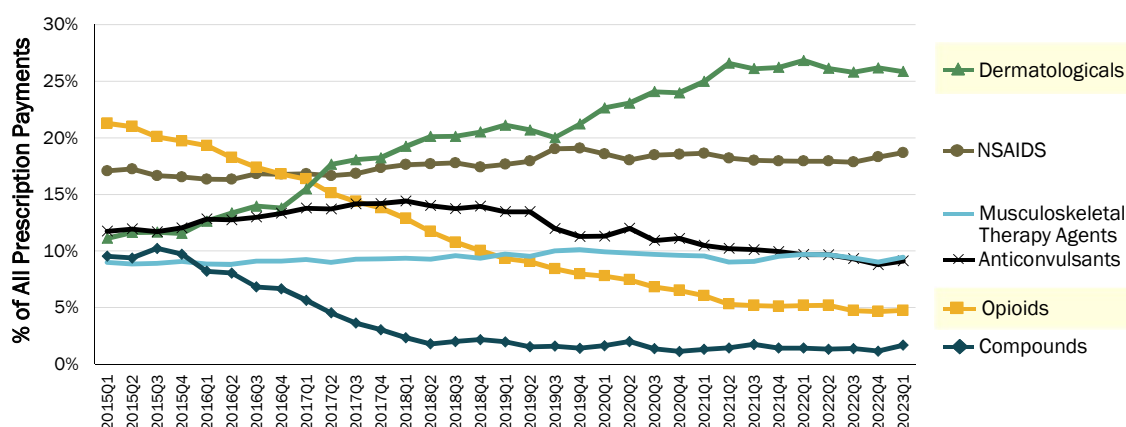
Data include prescriptions (Rx) and medical utilization between 2015Q1 and 2023Q1, for all medical claims with injuries occurring within three years prior to the service date. Source: *Interstate Variation and Trends in WC Drug Payments, 5th Edition (2024)*.

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## How Did the Types of Medications Dispensed Change? Payment Share Increased for Dermatologicals, Decreased for Opioids



Data include prescriptions (Rx) and medical utilization between 2015Q1 and 2023Q1, for all medical claims with injuries occurring within 3 years prior to the service date. Source: *Interstate Variation and Trends in WC Drug Payments, 5th Edition (2024)*.

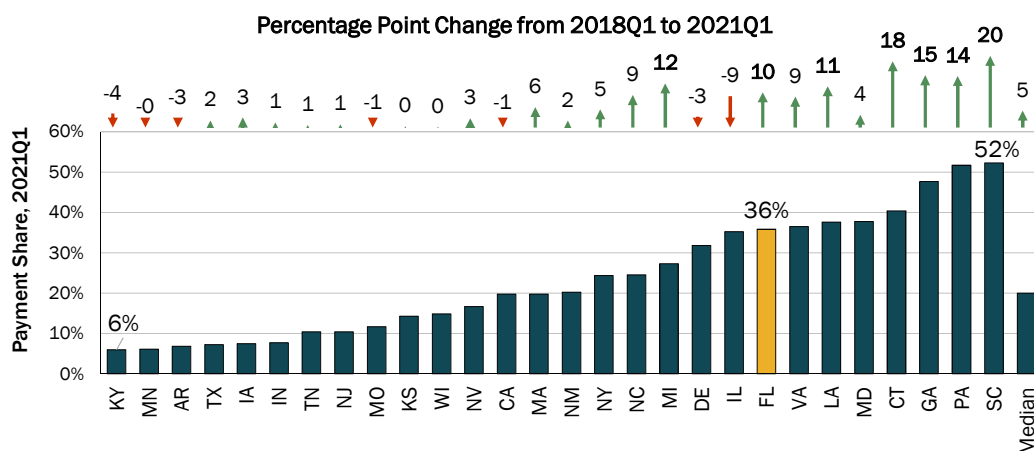
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## Payment Share for Dermatologicals Increased by 10+ Points in 7 States from 2018Q1 to 2021Q1



Data include Rx filled in service quarters 2018Q1–2021Q1, for claims with injuries occurring within 3 years prior to fill date and with Rx paid under WC.  
Source: *Interstate Variation and Trends in Workers' Compensation Drug Payments: 2018Q1 to 2021Q1 (2022)*.

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## Impact of Comorbid and Degenerative Conditions on Workers' Compensation Claims



## Comorbidities in Workers' Compensation Claims

### Common Physical Comorbidities

- Hypertension
- Diabetes
- Obesity
- Lung diseases

### Degenerative Conditions

- Osteoarthritis
- Spondylosis
- Spinal disc diseases
- Spinal stenosis

### Mental/Behavioral Comorbidities

- Anxiety
- Depression
- Substance use
- Sleep disorders

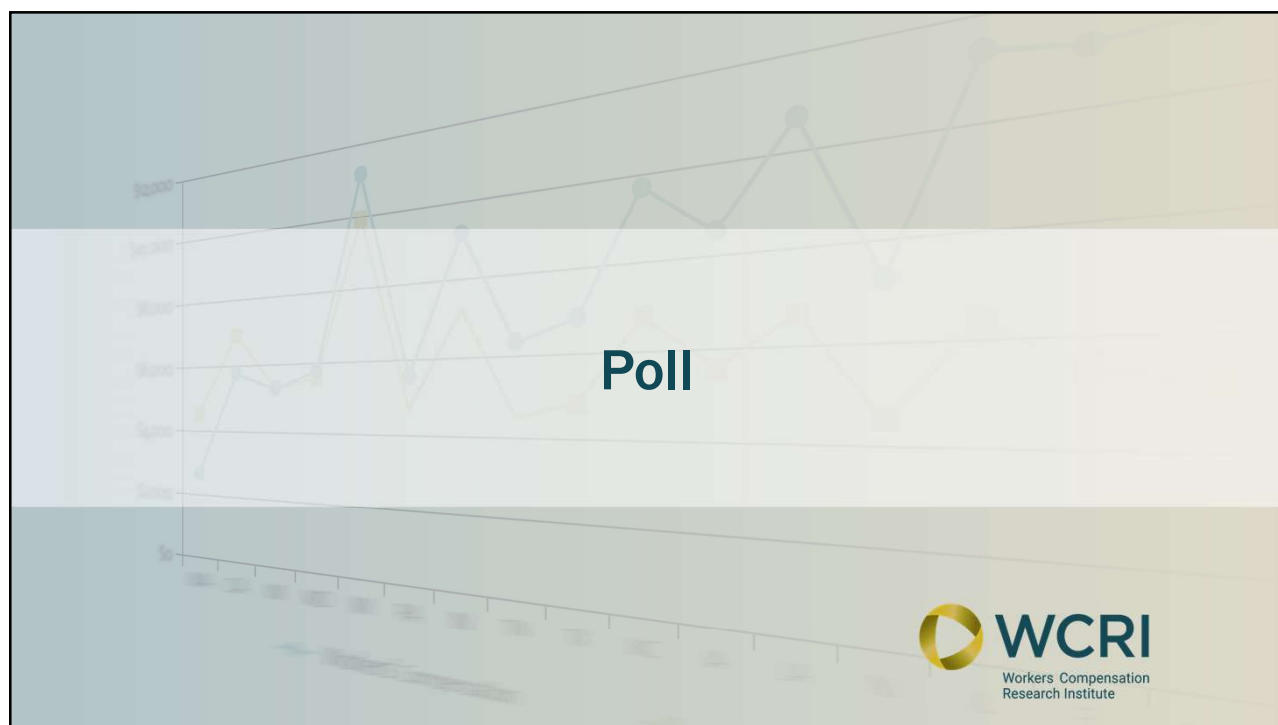
### Chronic Pain

- Chronic pain
- Other pain disorders

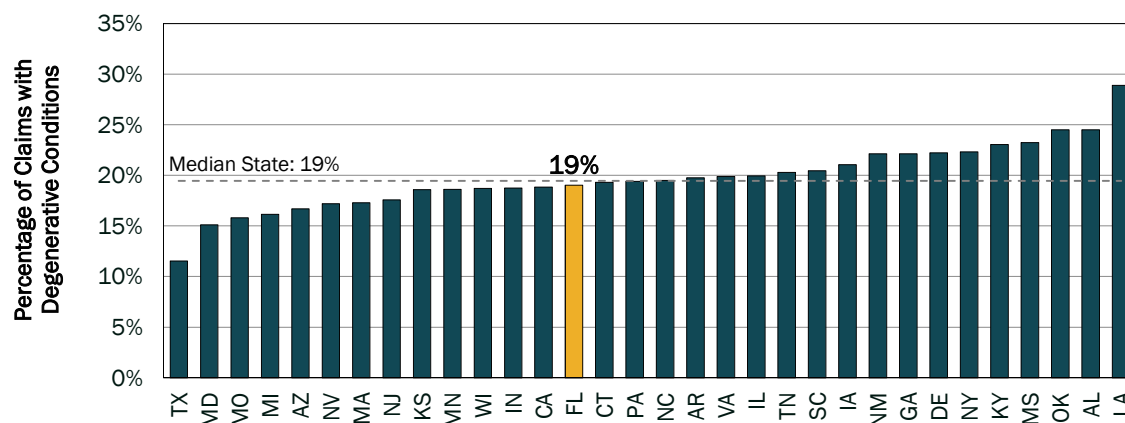
Source: *Degenerative and Comorbid Conditions in Workers' Compensation* (2025).

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## About 1 in 5 Workers Had Degenerative Conditions in Florida and Most Study States



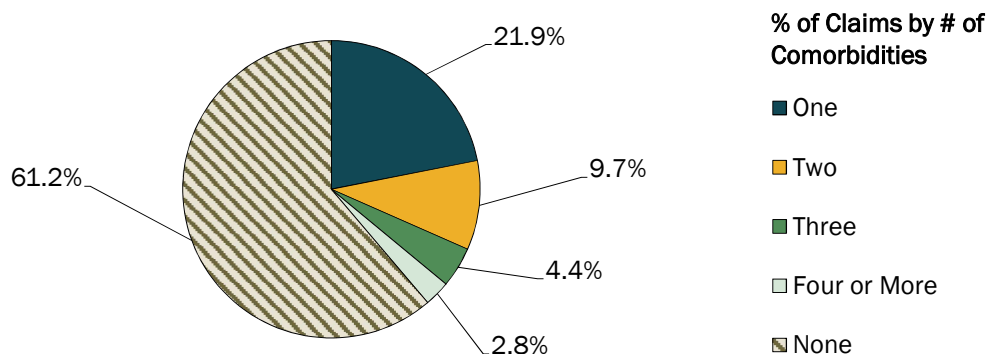
Claims with >7 days of lost time, injuries occurring from October 1, 2015, to March 31, 2019, observed within 36 months after the date of injury, up to March 31, 2022. Source: *Degenerative and Comorbid Conditions in Workers' Compensation* (2025).

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## 39% of Claims Had at Least One Comorbidity; 17% Had Multiple Comorbidities



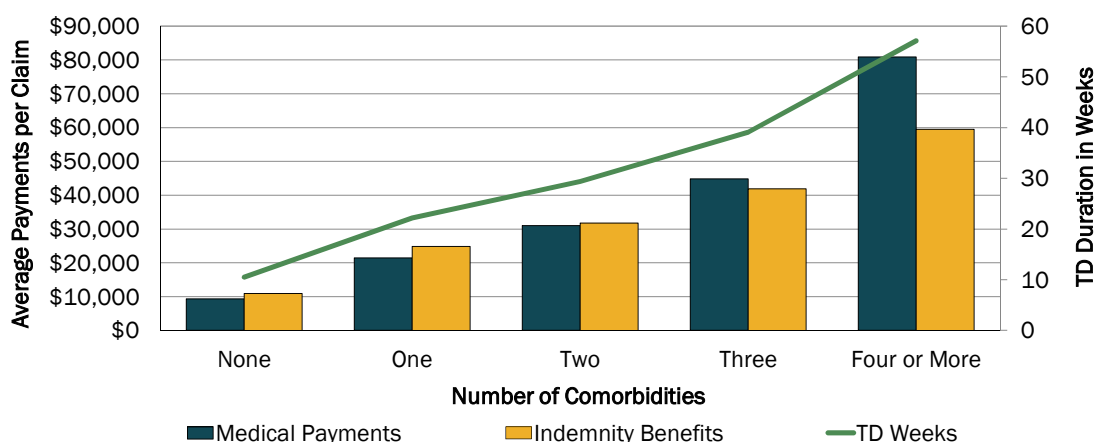
Claims with >7 days of lost time, injuries occurring from October 1, 2015, to March 31, 2019, observed within 36 months after the date of injury, up to March 31, 2022; pooled data of 32 states. Source: *Degenerative and Comorbid Conditions in Workers' Compensation* (2025).

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## As Number of Comorbidities Increases, So Do Associated Costs and Duration of Temporary Disability



Claims with >7 days of lost time, injuries occurring from October 1, 2015, to March 31, 2019, observed within 36 months after the date of injury, up to March 31, 2022; pooled data of 32 states. Key: TD: Temporary disability.  
Source: *Degenerative and Comorbid Conditions in Workers' Compensation* (2025).  
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## Main Findings – Impact of Comorbid and Degenerative Conditions on Workers' Compensation Claims

- About 1 in 5 claims had degenerative conditions; 39% of claims had one or more comorbidities
  - Of claims with comorbidities, nearly half had multiple comorbidities
- Claims with comorbidities had higher costs and longer duration of temporary disability

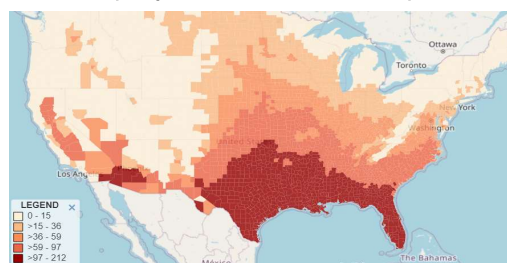




## Heat Illnesses Are a Growing Concern in Workers' Compensation

- Excessive heat days are becoming more frequent
- Heat is the leading cause of death among hazardous weather conditions
  - BLS estimated 33,890 heat-related work injuries and 479 deaths from 2011 to 2020
  - These numbers are likely vastly underestimated

**Number of Extreme Heat Days in 2023**  
(daily max. heat index > 90°F)



Source: OSHA, 2023; Center for Disease Control, National Environmental Public Health Tracking Network (NEPHNTN).

## Injuries and Illnesses Caused by Excessive Heat

- Heat-related illnesses of a physiological nature (HRIs)
  - Heat stroke, heat exhaustion, syncope, cramps, rash, rhabdomyolysis, acute kidney injury
- Injuries occurring when heat impairs the perceptual, motor, or cognitive abilities of workers, leading to accidents
  - Falling off a ladder on a hot day

Physiological



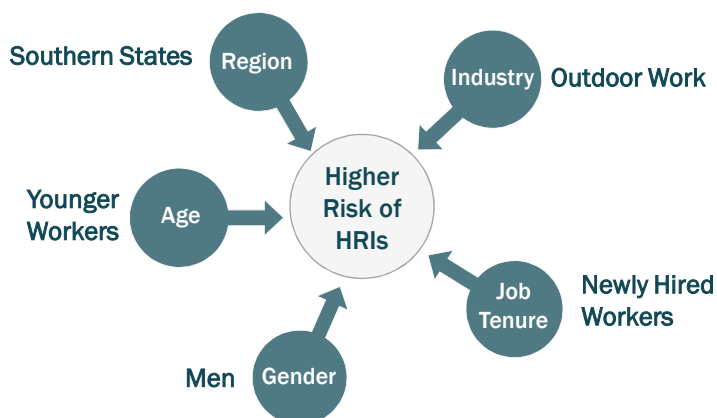
Cognitive

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## Which Groups of Workers Are More Susceptible to HRIs?



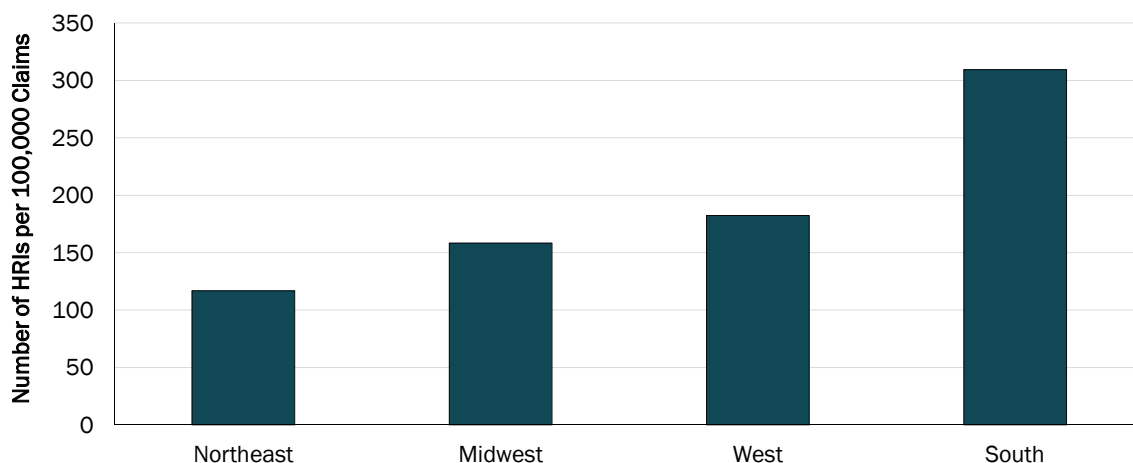
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## Southern States Have a Higher Prevalence of Heat-Related Illnesses



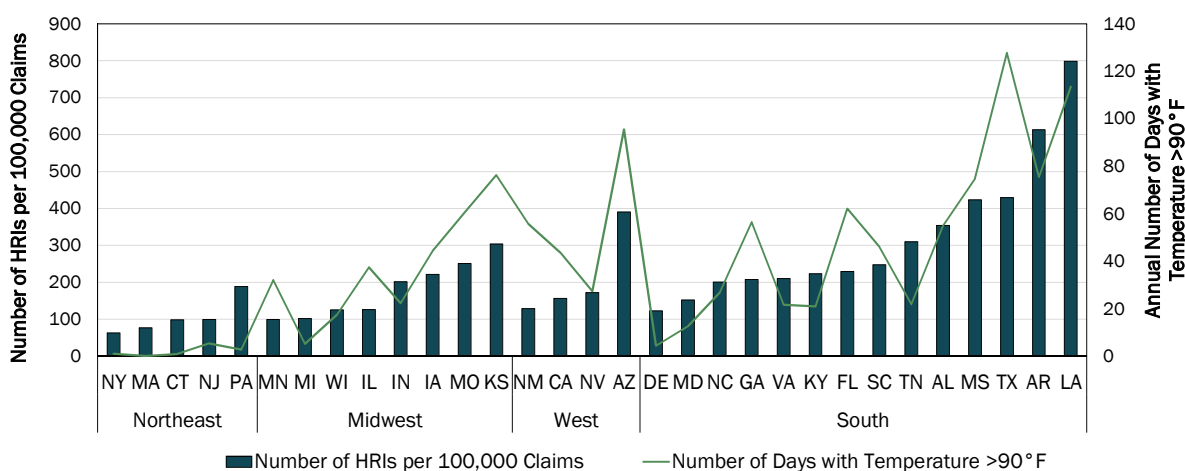
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## HRI Rate Higher in States with More Excessive Heat Days



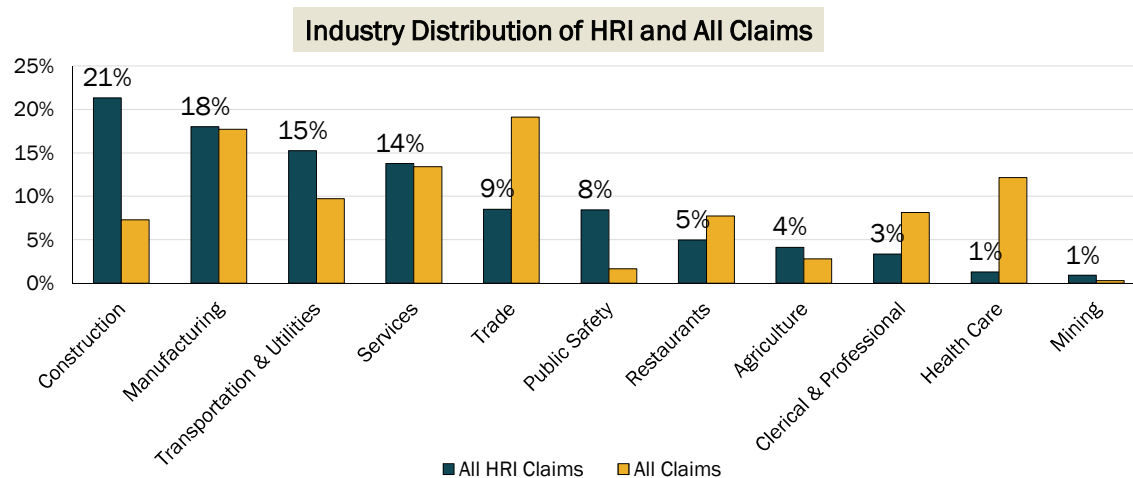
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## Construction Workers Account for 1 in 5 HRIs



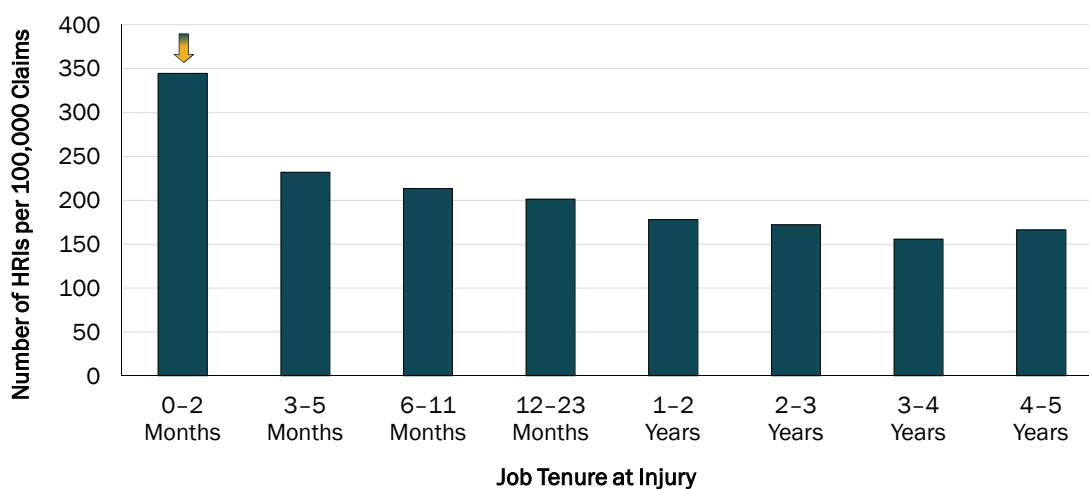
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## Newly Hired Workers at Higher HRI Risk



Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

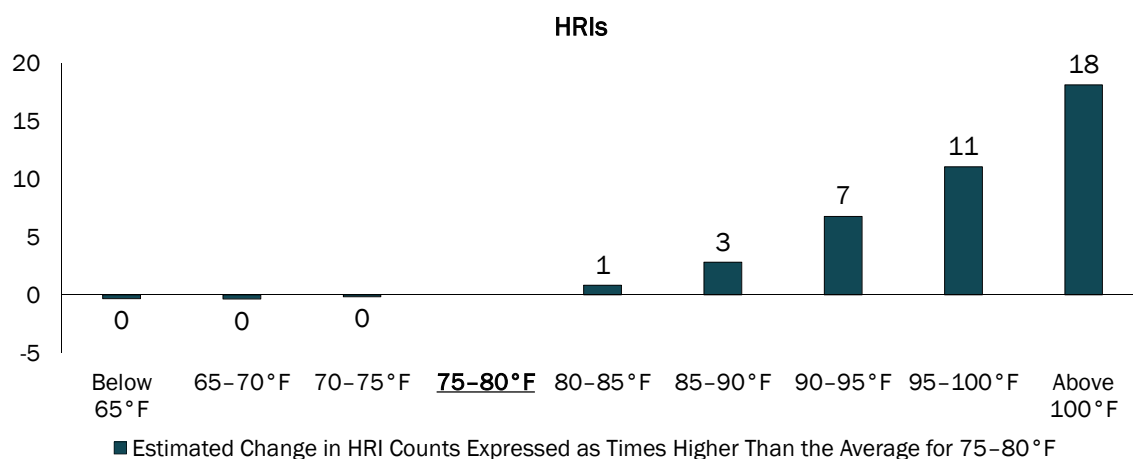
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## HRIs Increase by 7–18 Times When Temperature Increases over 90°F Compared with 75–80°F Days



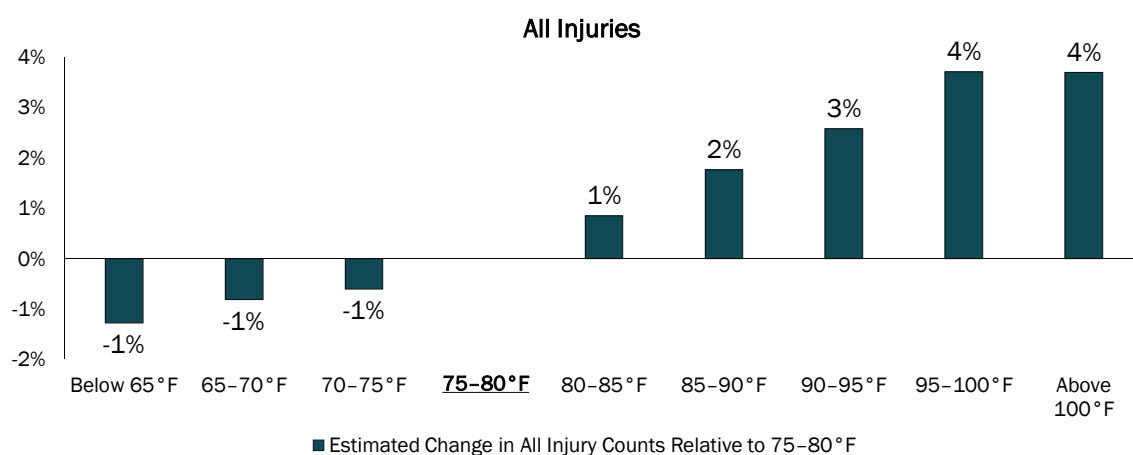
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## Overall Work Injuries Increase by 3–4% When Temperature Increases over 90°F Compared with 75–80°F Days



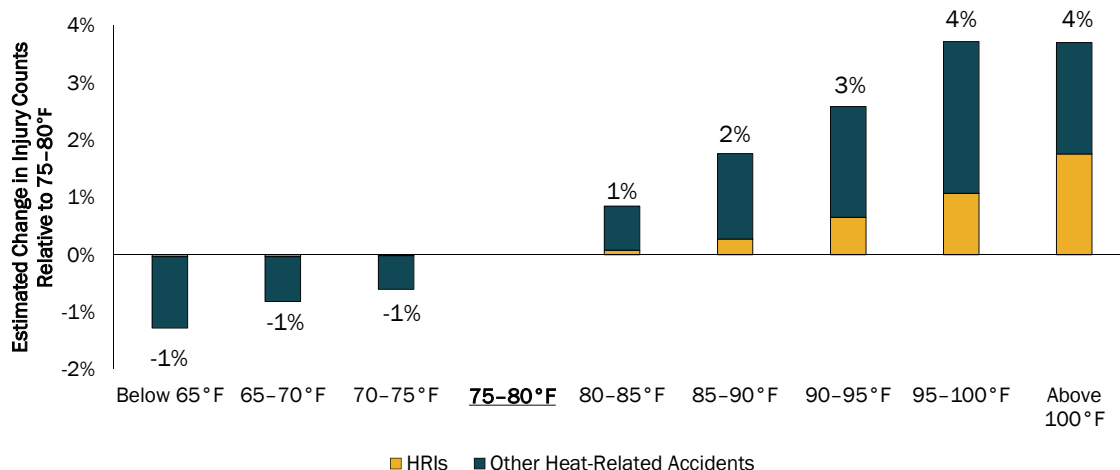
Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## HRI's Are Only a Portion of the Increase in Injuries Due to Heat



Source: *Impact of Excessive Heat on the Frequency of Work-Related Injuries* (2024).

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## OSHA's Proposed Rule for Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings

- OSHA Published the proposed rule in August 2024
  - Covers outdoor and indoor work
  - Identifying heat hazards
  - HRI prevention plan
  - HRI and emergency response
  - Training and recordkeeping requirements

	Initial Heat Trigger (heat Index $\geq$ 80°F)	High Heat Trigger (heat Index $\geq$ 90°F)
Cool drinking water	✓	✓
Shaded or air-conditioned break areas	✓	✓
Indoor work area controls	✓	✓
Acclimatization plan for new and returning employees	✓	✓
Paid rest breaks if needed	✓	✓
Regular communication with employees	✓	✓
Rest breaks of 15 minutes at least every 2 hours		✓
Buddy system/supervisor to observe signs and symptoms of HRI		✓
Hazard alert to remind employees about HRI prevention plan		✓

Source: OSHA's *Heat Injury and Illness Prevention in Outdoor and Indoor Work Settings* proposed rule was published on August 30, 2024. Available at <https://federalregister.gov/d/2024-14824>

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## Thank You

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- The studies discussed may be downloaded from our website.
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