



Office of the City Manager

CONSENT CALENDAR
January 25, 2022

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Donald Ellison, Interim Director of Human Resources

Subject: 2022 Fee Assessment – State of California Self-Insurance Fund
(Workers' Compensation Program)

RECOMMENDATION

Adopt a Resolution authorizing payment to the State of California Department of Industrial Relations for Fiscal Year 2022 for administering the Workers' Compensation Program, in an amount not to exceed \$268,093.55.

FISCAL IMPACTS OF RECOMMENDATION

The annual fee assessed by the Department of Industrial Relations for Fiscal Year 2022 is \$268,093.55. The 2022 invoice amount is calculated based on the direct workers' compensation premiums reported to the Department of Insurance for total indemnity benefits. Funding for this annual fee is included in the Workers' Compensation Self-Insurance Fund, Budget Code 676-99-900-900-0000-000-479-682110- .

BACKGROUND

The State of California Department of Industrial Relations regulates the Workers' Compensation Insurance Industry. Under California Labor Code Sections 62.5 and 62, every year, each City is assessed a fee by the Department of Industrial Relations to support the administration of the State's Workers' Compensation Program. The assessments provide a stable funding source to support court operations to resolve claims more quickly, improve the overall operation of the state workers' compensation system; to ensure safe and healthy working conditions on the job; including enforcement of labor standards and requirements for workers' compensation coverage.

Labor Code Sections 62.5 and 62.6 require allocation of the total assessment between insured and self-insured employers in proportion to payroll for the most recent year available. The City's total assessment is calculated by multiplying Self-Insured Employer Assessment Factors for each assessment by the total indemnity paid by the City.

This year's assessment is associated with a number of administrative costs. The agency uses these assessments to support the operations of the courts by pursuing employers who break employment laws; enforcement of labor standards, and workplace safety across the state.

The 2022 fee assessment has increased from FY 2020-2021. FY 2020-2021 the City paid \$235,979.19 in fees. The increase for FY 2021-2022 is \$32,114.36.

The largest assessment factor this year is the Workers' Compensation Subsequent Injuries Benefits Trust Fund Assessment (SIBTF). This fund pays for additional compensation to injured workers who already had a disability or impairment at the time of injury.

The City's share is calculated by multiplying the six self-insured employer assessment factors listed below by the total indemnity paid in the previously reported fiscal year. For fiscal year 2020-2021, the City reported to the Office of Self-Insurance Plans annual program statistics which include indemnity costs. The total City paid indemnity cost for 2020-2021 was \$3,049,525.

The City's share for the Fiscal Year 2022 assessment authorized under Labor Code Sections 62.5 and 62.6 for our self-insurance plan will be broken down as follows:

- I. Workers' Compensation Administration Revolving Fund Assessment
- II. Uninsured Employers Benefits Trust Fund Assessment
- III. Subsequent Injuries Benefits Trust Fund Assessment
- IV. Occupational Safety and Health Fund Assessment
- V. Workers' Compensation Fraud Account Assessment
- VI. Labor Enforcement and Compliance Fund

ENVIRONMENTAL SUSTAINABILITY

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMMENDATION

Required annual funding is for the State of California, Department of Industrial Relations.

ALTERNATIVE ACTIONS CONSIDERED

None. This is a state-mandated fee assessment.

CONTACT PERSON

Donald Ellison, Interim Director of Human Resources, 981-6807
July Cole, Associate Human Resources Analyst, 981-6816

Attachments:

- 1: Resolution
- 2: Invoice

3. State of California Fiscal year 2021-2022 Assessments

RESOLUTION NO. ##,###-N.S.

AUTHORIZING PAYMENT TO THE STATE OF CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS FOR FISCAL YEAR 2022 FEES IN AN AMOUNT NOT TO EXCEED \$268,093.55 (WORKERS' COMPENSATION PROGRAM)

WHEREAS, the City of Berkeley is Self-Insured for Workers' Compensation since 1979; and

WHEREAS, the Workers' Compensation Insurance Industry is administered and regulated by the State of California, Department of Industrial Relations; and

WHEREAS, the State of California, under California Labor Code Section 62.5 and 62.6, authorizes the Department of Industrial Relations to assess fees to employers for costs of administering the Workers' Compensation Program; and

WHEREAS, the City of Berkeley is assessed each year by the Department of Industrial Relations to support the state program; and

WHEREAS, for Fiscal Year 2022, the City's share of assessments authorized by Labor Code Sections 62.5 and 62.6 is not expected to exceed \$268,093.55; and

WHEREAS, funds are available in the current budget in the Workers' Compensation Fund, budget code 676-99-900-900-0000-000-479-682110-.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to pay the State of California, Department of Industrial Relations, Self-Insurance Plans invoice for Fiscal Year 2022 for Workers' Compensation Administration Revolving Fund Assessment; Uninsured Employers Benefits Trust Fund Assessment; Subsequent Injuries Benefits Trust Fund Assessment; Occupational Safety and Health Fund Assessment; Labor Enforcement and Compliance Fund; and Workers' Compensation Fraud Account Assessment in an amount not to exceed \$268,093.55.


Department of Industrial Relations

Office of Self-Insurance Plans
 11050 Olson Drive, Suite 230
 Rancho Cordova, CA 95670
 (916) 464-7000
 Fax: (916) 464-7007

INVOICE

Invoice Number: OSIP 69293
 Certificate No.: 7149
 Invoice Date: December 1, 2021
 Due Date: December 31, 2021
 OSIP Federal Tax ID.: 94-3160882

Customer Information:

Billing Address:		Send Payment To:	
Company:	City of Berkeley	Company:	Department Of Industrial Relations
Name:	July Cole	Name:	Office of Self Insurance Plans
Address:	2180 Milvia Street, 1st Floor, Human Resources	Address:	11050 Olson Drive, Suite 230
City/State/Zip	Berkeley, CA 94704	City/State/Zip	Rancho Cordova, CA 95670

For : City of Berkeley

Terms: Due and payable within 30 days

Factor	Assessment for fiscal year July 1, 2021 through June 30, 2022 using 2020 / 2021 Public Annual Report	Paid Indemnity (Line4 minus Line11 on the annual report)	Assessment Due
0.031386	Workers' Compensation Administration Revolving Fund Assessment (WCARF)	\$ 2,530,259	\$ 79,414.70
0.002301	Uninsured Employers Benefits Trust Fund Assessment (UEBTF)	\$ 2,530,259	\$ 5,822.12
0.034845	Subsequent Injuries Benefits Trust Fund Assessment (SIBTF)	\$ 2,530,259	\$ 88,166.87
0.016639	Occupational Safety and Health Fund Assessment (OSHF)	\$ 2,530,259	\$ 42,100.97
0.008178	Workers's Compensation Fraud Account Assessment (FRAUD)	\$ 2,530,259	\$ 20,692.45
0.012606	Labor Enforcement and Compliance Fund (LECF)	\$ 2,530,259	\$ 31,896.44
	<u>License Fee Assessment:</u>		
	Base Fee (determined by total number of employees)		\$ 0.00
	Additional Location Fee (No. of Locations)		\$ 0.00
	Per Capita Employee Charge (# of ee's * 0)	License Fee Assessment Subtotal:	\$ 0.00
		Invoice Totals:	\$ 268,093.55
		Amount Paid:	\$ 0.00
		Balance Due:	\$ 268,093.55

Notes:

The letter establishing the assessment factors and methodology used for calculation are available on the OSIP website at <http://sip.dir.ca.gov> You can also make an electronic funds transfer(EFT)payment online at <http://www.dir.ca.gov/osip> It is very important to enter the correct invoice number when making an online payment.

STATE OF CALIFORNIA
 DEPARTMENT OF INDUSTRIAL RELATIONS
 Office of the Director
 1515 Clay Street, Suite 2208
 Oakland, CA 94612
 Tel: (510) 286-7087 Fax: (510) 622-3265

GAVIN NEWSOM, Governor



DATE: November 29, 2021

TO: California Self-Insured Employer

FROM: Katrina S. Hagen, Director, Department of Industrial Relations

SUBJECT: Fiscal Year 2021/2022 Assessments:

- Workers' Compensation Administration Revolving Fund (WCARF)
- Uninsured Employers Benefits Trust Fund (UEBTF)
- Subsequent Injuries Benefits Trust Fund (SIBTF)
- Occupational Safety and Health Fund (OSHF)
- Labor Enforcement and Compliance Fund (LECF)
- Workers' Compensation Fraud Account (FRAUD)

Labor Code Sections 62.5 and 62.6 authorize the Department of Industrial Relations to assess employers for the costs of the administration of the workers' compensation, health and safety and labor standards enforcement programs. These assessments provide a stable funding source to the support operations of the courts, to ensure safe and healthy working conditions on the job, to ensure the enforcement of labor standards and requirements for workers' compensation coverage.

The purpose of this letter is to inform you that you will be receiving an invoice for your share of the assessments authorized by Labor Code Sections 62.5 and 62.6. The Labor Code requires allocation of the total assessment between insured and self-insured employers in proportion to payroll for the most recent year available

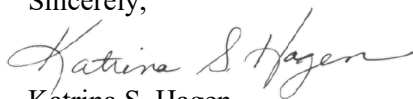
Authority	Type	Total Assessment for all Payers	2022 Self-Insured Employer Assessment Factor
Labor Code § 62.5	Workers' Compensation Administration Revolving Fund Assessment (WCARF)	\$562,924,500	0.031386
Labor Code § 62.5	Uninsured Employers Benefits Trust Fund Assessment (UEBTF)	\$52,692,900	0.002301
Labor Code § 62.5	Subsequent Injuries Benefits Trust Fund Assessment (SIBTF)	\$372,069,914	0.034845
Labor Code § 62.5	Occupational Safety and Health Fund Assessment (OSHF)	\$168,104,708	0.016639
Labor Code § 62.5	Labor Enforcement and Compliance Fund Assessment (LECF)	\$143,662,000	0.012606
Labor Code § 62.6	Workers' Compensation Fraud Account Assessment (FRAUD)	\$77,909,442	0.008178

Attached is a worksheet detailing the methodology used to compute the Workers' Compensation Administration Revolving Fund, Uninsured Employers Benefits Trust Fund, Subsequent Injuries Trust Fund, Occupational Safety and Health Fund, Labor, Labor Enforcement and Compliance Fund allocation and Workers' Compensation Fraud Account Assessment and to allocate the assessment between insured and self-insured employer.

Your share of the various assessments will be calculated by multiplying the self-insured employer assessment factors for each assessment by the total indemnity paid by your organization.

If you have any questions, please contact the Office of Self-Insurance Plans in Sacramento at (916)464-7000.

Sincerely,

A handwritten signature in cursive script that reads "Katrina S. Hagen".

Katrina S. Hagen
Director

Enclosure

California Department of Industrial Relations
2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
Uninsured Employers Benefits Trust Fund Assessment,
Subsequent Injuries Benefits Trust Fund Assessment,
Occupational Safety and Health Fund Assessment,
Labor Enforcement and Compliance Fund Assessment and
Workers' Compensation Fraud Account Assessment

METHODOLOGY

Labor Code Sections 62.5 and 62.6 require the Department of Industrial Relations to levy the total amounts of the Workers' Compensation Administration Revolving Fund Assessment, Uninsured Employers Benefits Trust Fund Assessment, Subsequent Injuries Trust Fund Assessment, Occupational Safety and Health Fund Assessment, Labor Enforcement and Compliance Fund Assessment and Workers' Compensation Fraud Account Assessment between insured employers and self-insured employers in proportion to payroll paid in the most recent year for which information is available.

Step 1: Determine Total Assessments Required for 2021-2022

<p>(1.1) Workers' Compensation Administration Revolving Fund Assessment (Labor Code § 62.5).....</p> <p>Total Assessment Required..... \$562,924,500</p> <p>Fund Balance..... (\$277,472,686)</p> <p>Insured Over/Undercollection..... \$205,468,524</p> <p>Self-Insured Over/Undercollection..... <u>\$72,004,162</u></p> <p style="text-align: right;">\$562,924,500</p>	<p>\$562,924,500</p>
<p>(1.2) Uninsured Employers Benefits Trust Fund Assessment (Labor Code § 62.5).....</p> <p>Total Assessment Required..... \$52,692,900</p> <p>Fund Balance..... (\$31,766,464)</p> <p>Insured Over/Undercollection..... \$23,523,067</p> <p>Self-Insured Over/Undercollection..... <u>\$8,243,398</u></p> <p style="text-align: right;">\$52,692,900</p>	<p>\$52,692,900</p>
<p>(1.3) Subsequent Injuries Benefits Trust Fund Assessment (Labor Code § 62.5).....</p> <p>Total Assessment Required..... \$372,069,914</p> <p>Fund Balance..... (\$55,157,868)</p> <p>Insured Over/Undercollection..... \$40,844,401</p> <p>Self-Insured Over/Undercollection..... <u>\$14,313,467</u></p> <p style="text-align: right;">\$372,069,914</p>	<p>\$372,069,914</p>
<p>(1.4) Occupational Safety and Health Fund Assessment (Labor Code § 62.5).....</p> <p>Total Assessment Required..... \$168,104,708</p> <p>Fund Balance..... (\$16,777,646)</p> <p>Insured Over/Undercollection..... \$12,423,847</p> <p>Self-Insured Over/Undercollection..... <u>\$4,353,799</u></p> <p style="text-align: right;">\$168,104,708</p>	<p>\$168,104,708</p>
<p>(1.5) Labor Enforcement and Compliance Fund Assessment (Labor Code § 62.5).....</p> <p>Total Assessment Required..... \$143,662,000</p> <p>Fund Balance..... (\$29,009,809)</p> <p>Insured Over/Undercollection..... \$21,481,764</p> <p>Self-Insured Over/Undercollection..... <u>\$7,528,045</u></p> <p style="text-align: right;">\$143,662,000</p>	<p>\$143,662,000</p>
<p>(1.6) Workers' Compensation Fraud Account Assessment (Labor Code § 62.6).....</p> <p><i>The workers' compensation fraud account assessment is established by the Department of Insurance, Fraud Commission.</i></p> <p>Total Assessment Required..... \$77,909,442</p> <p>Fund Balance..... (\$3,530,616)</p> <p>Insured Over/Undercollection..... \$2,614,421</p> <p>Self-Insured Over/Undercollection..... <u>\$916,195</u></p> <p style="text-align: right;">\$77,909,442</p>	<p>\$77,909,442</p>

* Fund balance amounts reflect the best available information for use in decision-making for this assessment. Additional review and reconciliation will occur on an ongoing basis and adjustments will be made to future assessments as necessary.

**California Department of Industrial Relations
2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
Uninsured Employers Benefits Trust Fund Assessment,
Subsequent Injuries Benefits Trust Fund Assessment,
Occupational Safety and Health Fund Assessment,
Labor Enforcement and Compliance Fund Assessment and
Workers' Compensation Fraud Account Assessment**

Step 2: Determine Payroll Amounts

(2.1) Total payroll for insured employers..... **\$817,620,774,661**

Source: California Workers' Compensation Insurance Rating Bureau (WCIRB) policy year 2019

(2.2) Payroll for self-insured employers **\$266,331,088,479¹**

(2.2.1) 2020-21 Fiscal Year for Public Sector* **\$139,945,939,165**

(2.2.2) 2020 for Private Sector..... **\$126,385,149,314**

* *Source: Department of Industrial Relations, Office of Self-Insurance Plans (excludes State of California)*

(2.3) Payroll for State of California (including SCIF)** **\$20,150,870,297**

* *Source: Department of Industrial Relations, Office of Self-Insurance Plans (excludes State of California)*

(2.4) Total payroll for self-insured employers..... **\$286,481,958,776²**

(2.5) Total combined payroll..... **\$1,104,102,733,437³**

(Insured and self-insured employers)

Step 3: Calculate Proportional Payroll for Insured and Self-Insured Employers

(3.1) Insured Employers:

$$\frac{\text{Insured Employer Payroll}}{\text{Total Combined Payroll}} = \frac{\text{Methodology Section (2.1)}}{\text{Methodology Section (2.5)}} = \frac{\$817,620,774,661}{\$1,104,102,733,437} = \underline{\underline{74.05\%}}$$

(3.2) Self-Insured Employers:

$$\frac{\text{Self-Insured Employer Payroll}}{\text{Total Combined Payroll}} = \frac{\text{Methodology Section (2.4)}}{\text{Methodology Section (2.5)}} = \frac{\$286,481,958,776}{\$1,104,102,733,437} = \underline{\underline{25.95\%}}$$

¹ **(2.2) Payroll for Self-Insured Employers** = Σ of Methodology Section (2.2.1) and Methodology Section (2.2.2)

² **(2.4) Total Payroll for Self-Insured Employers** = Σ of Methodology Section (2.2) and Methodology Section (2.3)

³ **(2.5) Total Combined Payroll** = Σ of Methodology Section (2.1) and Methodology Section (2.4)

Step 4: Determine the Total Assessments for Insured and Self-Insured Employers

Workers' Compensation Administration Revolving Fund Assessment

Calculation for Insured Employers:

▶ (WCARF Assessment) X 74.05%	=	\$562,924,500	X	74.05%	.....	\$416,845,592
▶ INCREASED by credits due individual insurers which undercollected against previous advances [CCR § 15609].....						\$60,430,875
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....						(\$205,468,524)
(4.1) Resulting Final Insured Employers Workers' Compensation User Funding Assessment.....						\$271,807,943

Calculation for Self-Insured Employers:

▶ (WCARF Assessment) X 25.95%	=	\$562,924,500	X	25.95%	.....	\$146,078,908
▶ DECREASED by the Self-Insurer overcollection from prior year.....						(\$72,004,162)
(4.2) Resulting Final Self-Insured Employers Workers' Compensation User Funding Assessment.....						\$74,074,746

**California Department of Industrial Relations
2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
Uninsured Employers Benefits Trust Fund Assessment,
Subsequent Injuries Benefits Trust Fund Assessment,
Occupational Safety and Health Fund Assessment,
Labor Enforcement and Compliance Fund Assessment and
Workers' Compensation Fraud Account Assessment**

Uninsured Employers Benefits Trust (UEBT) Fund Assessment

Calculation for Insured Employers:

▶ (UEBTF Assessment) X 74.05% =	\$52,692,900	X	74.05%	.....	\$39,019,092
▶ INCREASED by credits due individual insurers which undercollected against previous advances [CCR § 15609].....					\$5,013,991
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....					(\$23,523,067)
(4.3) Resulting Final Insured Employers UEBT Fund Assessment.....					<u>\$20,510,017</u>

Calculation for Self-Insured Employers:

▶ (UEBTF Assessment) X 25.95% =	\$52,692,900	X	25.95%	.....	\$13,673,808
▶ DECREASED by the Self-Insurer overcollection from prior year.....					(\$8,243,398)
(4.4) Resulting Final Self-Insured Employers UEBT Fund Assessment.....					<u>\$5,430,410</u>

Subsequent Injuries Benefits Trust (SIBT) Fund Assessment

Calculation for Insured Employers:

▶ (SIBTF Assessment) X 74.05% =	\$372,069,914	X	74.05%	.....	\$275,517,771
▶ INCREASED by credits due individual insurers which undercollected against previous advances [CCR § 15609].....					\$11,380,941
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....					(\$40,844,401)
(4.5) Resulting Final Insured Employers SIBT Fund Assessment.....					<u>\$246,054,311</u>

Calculation for Self- Insured Employers:

▶ (SIBTF Assessment) X 25.95% =	\$372,069,914	X	25.95%	.....	\$96,552,143
▶ DECREASED by the Self-Insurer overcollection from prior year.....					(\$14,313,467)
(4.6) Resulting Final Self-Insured Employers SIBT Fund Assessment.....					<u>\$82,238,676</u>

Occupational Safety and Health Fund (OSHF) Assessment

Calculation for Insured Employers:

▶ (OSHF Assessment) X 74.05% =	\$168,104,708	X	74.05%	.....	\$124,481,536
▶ INCREASED by credits due individual insurers which undercollected against previous advances [CCR § 15609].....					\$17,335,821
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....					(\$12,423,847)
(4.7) Resulting Final Insured Employers OSH Fund Assessment.....					<u>\$129,393,510</u>

Calculation for Self- Insured Employers:

▶ (OSHF Assessment) X 25.95% =	\$168,104,708	X	25.95%	.....	\$43,623,172
▶ DECREASED by the Self-Insurer overcollection from prior year.....					(\$4,353,799)
(4.8) Resulting Final Self-Insured Employers OSH Fund Assessment.....					<u>\$39,269,373</u>

Labor Enforcement and Compliance Fund (LECF) Assessment

Calculation for Insured Employers:

▶ (LECF Assessment) X 74.05% =	\$143,662,000	X	74.05%	.....	\$106,381,711
▶ INCREASED by credits due individual insurers which undercollected against previous advances [CCR § 15609].....					\$15,244,055
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....					(\$21,481,764)
(4.9) Resulting Final Insured Employers LEC Fund Assessment.....					<u>\$100,144,002</u>

Calculation for Self- Insured Employers:

▶ (LECF Assessment) X 25.95% =	\$143,662,000	X	25.95%	.....	\$37,280,289
▶ DECREASED by the Self-Insurer overcollection from prior year.....					(\$7,528,045)
(4.10) Resulting Final Self-Insured Employers LEC Fund Assessment.....					<u>\$29,752,244</u>

**California Department of Industrial Relations
2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
Uninsured Employers Benefits Trust Fund Assessment,
Subsequent Injuries Benefits Trust Fund Assessment,
Occupational Safety and Health Fund Assessment,
Labor Enforcement and Compliance Fund Assessment and
Workers' Compensation Fraud Account Assessment**

Workers' Compensation Fraud Account Assessment

Calculation for Insured Employers:

▶ (Fraud Assessment) X 74.05% =	\$77,909,442	X	74.05%	\$57,691,942
▶ INCREASED by credits due individual insurers which undercollected against previous advances [pursuant to CCR § 15609].....				\$13,392,817
▶ DECREASED by insurer overcollection [pursuant to CCR § 15606(f)].....				(\$2,614,421)
(4.11) Resulting Final Insured Employers Workers' Compensation Fraud Account Assessment..				\$68,470,338

Calculation for Self- Insured Employers:

▶ (Fraud Assessment) X 25.95% =	\$77,909,442	X	25.95%	\$20,217,500
▶ DECREASED by the Self-Insurer overcollection from prior year.....				(\$916,195)
(4.12) Resulting Final Self-Insured Employers Workers' Compensation Fraud Account Assessment.....				\$19,301,305

Step 5: Calculate the Assessment Factors

Workers' Compensation Administration Revolving Fund Assessment Factor

(5.1) Calculation for Insured Employers:

<u>Total Insured Employers Assessment</u>	=	\$271,807,943	=	<u>0.019277</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.2) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Assessment</u>	=	\$74,074,746	=	<u>0.031386</u>
Total Amt. of Workers' Comp. Indemnity Pd**		\$2,360,103,569		

** SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

(5.2.1)	2020-21 Public Sector.....	\$1,465,499,943
(5.2.2)	2020 Private Sector.....	\$637,670,804
(5.2.3)	2020-21 State of California.....	\$256,932,822

Uninsured Employers Benefits Trust (UEBT) Fund Assessment Factor

(5.3) Calculation for Insured Employers:

<u>Total Insured Employers Assessment</u>	=	\$20,510,017	=	<u>0.001455</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.4) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Assessment</u>	=	\$5,430,410	=	<u>0.002301</u>
Total Amt. of Workers' Comp. Indemnity Pd **		\$2,360,103,569		

** SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

Subsequent Injuries Benefits Trust (SIBT) Fund Assessment Factor

(5.5) Calculation for Insured Employers:

<u>Total Insured Employers Assessment</u>	=	\$246,054,311	=	<u>0.017451</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.6) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Assessment</u>	=	\$82,238,676	=	<u>0.034845</u>
Total Amt. of Workers' Comp. Indemnity Pd.**		\$2,360,103,569		

** SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

**California Department of Industrial Relations
2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
Uninsured Employers Benefits Trust Fund Assessment,
Subsequent Injuries Benefits Trust Fund Assessment,
Occupational Safety and Health Fund Assessment,
Labor Enforcement and Compliance Fund Assessment and
Workers' Compensation Fraud Account Assessment**

Occupational Safety and Health Fund (OSHF) Assessment Factor

(5.7) Calculation for Insured Employers:

<u>Total Insured Employers Assessment</u>	=	\$129,393,510	=	<u>0.009177</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.8) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Assessment</u>	=	\$39,269,373	=	<u>0.016639</u>
Total Amt. of Workers' Comp. Indemnity Pd.**		\$2,360,103,569		

**SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

Labor Enforcement and Compliance Fund (LECF) Assessment Factor

(5.9) Calculation for Insured Employers:

<u>Total Insured Employers Assessment</u>	=	\$100,144,002	=	<u>0.007102</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.10) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Assessment</u>	=	\$29,752,244	=	<u>0.012606</u>
Total Amt. of Workers' Comp. Indemnity Pd.**		\$2,360,103,569		

**SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

Workers' Compensation Fraud Account Assessment Factor

(5.11) Calculation for Insured Employers:

<u>Total Insured Employer Surcharge</u>	=	\$68,470,338	=	<u>0.004856</u>
Total Direct Workers' Compensation*		\$14,100,000,000		

*Estimated Premium (Source: WCIRB estimate for 2021 Policy Year)

(5.12) Calculation for Self-Insured Employers:

<u>Total Self-Insured Employer Surcharge</u>	=	\$19,301,305	=	<u>0.008178</u>
Total Amt. of Workers' Comp. Indemnity Pd.**		\$2,360,103,569		

**SOURCE: Dept. of Industrial Relations, Office of Self-Insurance Plans [Σ of Methodology Sections (5.2.1) to (5.2.3)]:

Step 6: Determine Individual Employer's Workers' Compensation Administration Revolving Fund Assessment

(6.1) Individual Insured Employers:

Assessment Factor [0.019277] X Employer's Expected Assessable Premium*

(6.2) Calculation for Individual Self-Insured Employers:

Assessment Factor [0.031386] X Total Indemnity Paid by the Employer

Step 7: Determine Individual Employers Uninsured Employers Benefits Trust (UEBT) Fund Assessment

(7.1) Individual Insured Employers:

Assessment Factor [0.001455] X Employer's Expected Assessable Premium*

(7.2) Calculation for Individual Self-Insured Employers:

Assessment Factor [0.002301] X Total Indemnity Paid by the Employer

California Department of Industrial Relations
 2021-2022 Workers' Compensation Administration Revolving Fund Assessment,
 Uninsured Employers Benefits Trust Fund Assessment,
 Subsequent Injuries Benefits Trust Fund Assessment,
 Occupational Safety and Health Fund Assessment,
 Labor Enforcement and Compliance Fund Assessment and
 Workers' Compensation Fraud Account Assessment

Step 8: Determine Individual Employers Subsequent Injuries Benefit Trust (SIBT) Fund Assessment

(8.1) Individual Insured Employers:
 Assessment Factor [0.017451] X Employer's Expected Assessable Premium*

(8.2) Calculation for Individual Self-Insured Employers:
 Assessment Factor [0.034845] X Total Indemnity Paid by the Employer

Step 9: Determine Individual Employers Occupational Safety and Health (OSHF) Fund Assessment

(9.1) Individual Insured Employers:
 Assessment Factor [0.009177] X Employer's Expected Assessable Premium*

(9.2) Calculation for Individual Self-Insured Employers:
 Assessment Factor [0.016639] X Total Indemnity Paid by the Employer

Step 10: Determine Individual Employers Labor Enforcement and Compliance (LECF) Fund Assessment

(10.1) Individual Insured Employers:
 Assessment Factor [0.007102] X Employer's Expected Assessable Premium*

(10.2) Calculation for Individual Self-Insured Employers:
 Assessment Factor [0.012606] X Total Indemnity Paid by the Employer

Step 11: Determine Individual Employer's Workers' Compensation Fraud Account Assessment

(11.1) Individual Insured Employers:
 Assessment Factor [0.004856] X Employer's Expected Assessable Premium*

(11.2) Calculation for Individual Self-Insured Employers:
 Assessment Factor [0.008178] X Total Indemnity Paid by the Employer

*** Assessable Premium**

The premium the insured is charged after all rating adjustments (experience rating, schedule rating, premium discounts, expense constants, etc.) except for adjustments resulting from the application of deductible plans, retrospective rating or the return policyholder dividends.

