Workers' Comp

Workers’ Comp Data: Healthcare Industry Sector is the Source of the Majority of COVID-19 Claims

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5 MIN READ

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Data analysis by Aarthi Thiruvengadam Over the first few months of the COVID-19 pandemic, the workers’ compensation industry has gone through an unprecedented number of changes, from an increase in telemedicine to a shift to working from home. To get a clearer picture of how the pandemic has changed our industry so far this year, we took a closer look at Mitchell’s 2020 workers’ compensation claims data.

Key Findings

After reviewing the workers’ compensation claims data from January through June of this year, a few key trends stand out:

- Employees representing the healthcare industry sector are the source of the majority of workers’ compensation COVID-19-related claims—about two-thirds of all COVID-19 claims and more than nine times greater than any other group.
- Industries that have become essential during the pandemic—healthcare, trucking, warehousing—have seen an increase in workers’ compensation claims throughout the pandemic, while most others have seen a decrease.
- The number of workers’ compensation claims is closely correlated with COVID-19-related openings and closures across the country.

The Healthcare Industry is the Source of the Majority of Workers’ Compensation COVID-19 Claims

COVID Claims by Industry

This graph shows all of the COVID-19 related workers' compensation claims in Mitchell's 2020 data, broken down by industry sector. COVID related claims are defined as any claim with a Nature of Injury Code related to the virus (testing, treatment etc.).

From January 1, 2020 through June 30, 2020, the healthcare and social assistance industry sector was the source of 66% of the COVID-19-related claims in Mitchell's data. As you can see from the graph above, the healthcare industry has reported significantly more claims related to COVID-19 than any other industry sector—more than 9.4 times more—with public administration coming in second, accounting for only 7% of the total claims reported. This data aligns with what you would expect, as healthcare workers have been on the frontlines fighting the pandemic since its inception. Moving forward, we expect that the majority of COVID-19 claims will continue to come from the healthcare industry, though other industries may see increases as states change COVID-19-related guidelines. We expect that this will follow a logical pattern; for example, as restaurants and retail stores are allowed to open, the accommodation and food services and retail trade industries may see growth in the number of COVID-19 claims.

Essential Industries Have Seen an Increase in Workers' Compensation Claims

Industry Categorization COVID Claims by Industry COVID Claims by Industry

This graph shows the source of all workers' compensation claims year over year from 2018—2020 by industry sector.

When we look at the data for workers' compensation claims overall, compared to Q1 and Q2 2018 and 2019, industries that have become essential during the pandemic—namely healthcare and social assistance, transportation and warehousing services and wholesale trade—have seen significant increases in overall workers' compensation claims frequency in the first half of 2020. On the other hand, industries that have faced COVID-19 regulations in states throughout the country, like accommodation and food services and educational services, have seen a decrease in overall workers' compensation claim frequency. Again, this data mostly follows logical patterns of what you'd expect to see as healthcare workers fight the pandemic directly, online retailers see major upticks in online purchasing leading to increased warehousing and trucking activity and other industries have shut down or sent their employees to work remotely.

Workers' Compensation Claims Frequency Correlates with Changing State COVID-19 Guidelines

COVID Claims by Industry

This graph shows overall workers' compensation claim count trends for a few select industries month-over-month in 2020. While the previous graph shows a dip in most industries year-over-year, this graph dives deeper into a 2020 monthly view to explain the trends we are seeing in each industry sector due to COVID-19 stay-at-home orders.

When we compare the data for total workers' compensation claims month over month for the first half of 2020, we can see a strong correlation between stay-at-home orders and workers' compensation claims in most industries that were affected by COVID-19 stay-at-home orders. The healthcare industry sector, which saw claims increase over this period, is the exception to this trend as its workers have been on the frontline fighting the virus. From March through May, when many states were under stay-at-home orders, workers' compensation claim counts were generally lower in industries that closed or saw employees work from home than during the first two months of the year. In June, when many states began relaxing COVID-19 guidelines and allowed businesses such as restaurants and retail stores to resume operations, workers' compensation claim counts began to rise. As the pandemic goes on, we expect to see a similar pattern of claim frequency as states tighten and loosen restrictions.

Conclusion

As the COVID-19 pandemic continues, we expect that COVID-19 related and non-COVID related workers' compensation claims will continue to be closely correlated to state regulations. Claims organizations should expect ebbs and flows in claims frequency throughout the year, and should closely monitor claims data in virus hot spots to guide business decisions as situations change throughout the country.

Our Data

The data in this article is an aggregate of Mitchell data from workers' compensation claims through the end of June 2020. Industries were identified as per the two-digit North American Industry Classification System (NAICS) code classifications.

*__Other category contains:__ Agriculture, Forestry, Fishing and Hunting, Mining, Quarrying, and Oil and Gas Extraction, Utilities, Construction, Wholesale Trade, Retail Trade, Information, Finance and Insurance, Real Estate and Rental and Leasing, Professional, Scientific, and Technical Services, Management of Companies and Enterprises, Administrative and Support and Waste Management and Remediation Services, Arts, Entertainment, and Recreation, Accommodation and Food Services, Other Services (except Public Administration)



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