

**TEXAS DEPARTMENT OF INSURANCE
DIVISION OF WORKERS' COMPENSATION
ACTUARIAL ANALYSIS OF
THE TEXAS WORKERS' COMPENSATION
SUBSEQUENT INJURY FUND
AS OF AUGUST 31, 2014**



MADISON CONSULTING GROUP

Actuaries • Property/Casualty Consulting Services

October 27, 2014

Ms. Marisa Lopez Wagley
Assistant General Counsel
Texas Department of Insurance
Division of Workers' Compensation
7551 Metro Center Drive
Suite 100
Austin, TX 78744

Re: Actuarial Analysis of the Texas Workers' Compensation Subsequent Injury Fund
as of August 31, 2014.

Dear Ms. Wagley:

Madison Consulting Group, Inc. is pleased to enclose a copy of the above captioned report. We have enjoyed working on this project and hope you find it satisfactory. Please call if you have any questions or comments.

Sincerely,

Mark Crawshaw, Ph.D., FCAS, MAAA

MC/agd
Attachment

**ACTUARIAL ANALYSIS OF
THE TEXAS DEPARTMENT OF INSURANCE,
DIVISION OF WORKERS' COMPENSATION
SUBSEQUENT INJURY FUND
AS OF AUGUST 31, 2014**

INTRODUCTION

At the request of management of the Texas Department of Insurance, Division of Workers' Compensation Insurance (DWC), Madison Consulting Group (MCG) has performed an actuarial analysis of the Subsequent Injury Fund (SIF) as of August 31, 2014. The purpose of the review was to analyze the solvency of the SIF based on past, present, and future trends of income flow and to project future funding requirements for the SIF through fiscal year 2019, including assessments (if any) on insurance carriers to meet the SIF's obligations under the Texas Workers' Compensation Act. This report describes our analysis and conclusions.

ACKNOWLEDGEMENT OF QUALIFICATION

This report was prepared under the direction of Mark Crawshaw, Ph.D., FCAS, MAAA. Dr. Crawshaw is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

DISTRIBUTION AND USE

This report has been prepared for the internal use of management at DWC to assist in their operation of the SIF. It is our understanding that this report will become a public document. It is requested that all distributions of this report be in its entirety including the attached exhibits and appendices.

ANALYSIS

Overview of the SIF

The SIF was created by the State Legislature in 1947 to facilitate the employment of handicapped persons, including a large number of disabled WWII veterans. The original purpose of the SIF was to protect disabled workers against employment discrimination that might otherwise have arisen as an unattended consequence of placing the financial responsibility for work related disability on each employer through the workers' compensation system. As originally conceived, if an employee who had previously lost a leg, eye, or hand should lose a second leg, eye, or hand in a work related accident, then the employer or insurance carrier would be liable only for the compensation payable for the second injury. The SIF would be liable for the remainder of any total permanent disability award to the injured employee.

Since its inception, the responsibilities of the SIF have expanded beyond its original purpose. In addition to its responsibility for payments in events of second injuries, the SIF is now responsible for claims not related to second injuries as follows:

- To reimburse carriers for payments made in accordance with DWC decisions/orders that are later reversed or modified resulting in an overpayment of a claim.

- To reimburse carriers for certain benefits that were paid due to a designated doctor opinion that is later reversed or modified resulting in an overpayment of a claim. (This is a change contained in SB 1169 and effective September 1, 2007).
- To reimburse carriers in situations where multiple employment causes an increase in benefits. SB 1169 extended the scope of this item to include reimbursement of death benefits in situations of multiple employments in addition to the previously authorized reimbursement of income benefits.
- To reimburse carriers for pharmaceutical costs incurred on claims that are ultimately determined to be non-compensable. Recently adopted pharmacy formulary rule (28 TAC §134.550) extended the scope of this item to include reimbursement of drugs received through a medical interlocutory order that is later reversed or modified resulting in an overpayment of a claim.

SIF's Accounting Conventions

The SIF operates on a fiscal year basis. For example, fiscal year 2014 refers to the period September 1, 2013 through August 31, 2014. The financial reports provided to us included amounts compiled from the various systems used by SIF to track payments. In some instances, these systems have small differences in how they code payments to fiscal year. In our analysis, we have taken the amounts from the USAS system as being definitive.

Prior to September 1, 2005, the SIF was operated by the Texas Workers' Compensation Commission (TWCC). During this period, TWCC produced a separate financial statement for the SIF. Effective September 1, 2005, TWCC became part of the Texas Department of Insurance. At this time, the financial statement for the SIF changed and became part of the Annual Financial Report of the Texas Department of Insurance.

At the present time, the financial reports that are routinely produced by SIF consist of an accounting of revenue and expense on essentially a cash basis (see Exhibit I), as well as claim-by-claim estimate of future expenses for known LIB awards

(similar to Appendix B, Sheet 2). From an actuarial perspective, in order to evaluate the financial condition of the SIF, it is necessary to expand SIF's financial reports to include estimates of all accrued revenue and expenses. To this end, Sheet 1 of Exhibit II of this report provides a summary of the balance sheet of the SIF with full accruals for all revenues and expenses. In preparing Sheet 1 of Exhibit II, we have attempted to account for all revenue and expenses of the SIF associated with all claims occurring through the accounting date, regardless of when SIF will actually make the cash transaction or when SIF becomes aware of the underlying claim that results in the revenue or expense.

The SIF's Revenue

The SIF is currently funded solely by death benefit payments from insurance carriers in situations where a compensable death occurs and there is no eligible beneficiary (or the claim for death benefits is not made in a timely manner). Prior to July 2003, the SIF was designated a special fund in the State Treasury and was credited interest on the account funds. However, since that time, interest has not accumulated to the benefit of the SIF.¹ In the event that this funding is not sufficient, the SIF may assess insurance carriers.

Effective September 1, 2007, HB 724 expanded the definition of eligible beneficiaries to include "eligible parent." This change has the practical effect of reducing the revenue to the SIF of these no-beneficiary fatal claims with an eligible parent from 364 weeks to 260 weeks (a 29% reduction). Effective September 1, 2009, HB 1058

¹ It is noted that the SIF's earlier financial statements show small amounts of income in addition to death benefits described above. We understand these items relate to reversals of items that have previously been expensed rather than external sources of income.

clarified and somewhat expanded upon the previous legislation. We believe this latter legislation will likely result in a further, but modest, reduction to SIF's revenue.

Projection of Revenue

Exhibit III summarizes the analysis of revenue to the SIF from no-dependent death cases. We projected future revenue (cash basis) based on the historical data, consideration of current economic activity, and a projected annual rate of growth of 4% per year (see Exhibit VI, Column (6)). In this process, we made adjustments to reflect the impact of SB 1169.

We estimated the accrual for revenue receivable (see Exhibit II, Sheet 4, Row 1a) from the projected revenue (cash basis) (Exhibit I, Item 2a) assuming an average lag of twelve months from the time of a no-dependent fatality to the time the revenue is actually received by SIF.

The SIF's Expenses

The SIF has six sources of expenses as follows:

1. Lifetime Income Benefits (LIB's)
2. Carrier Overpayment Reimbursement (including "medical interlocutory orders" and "designated doctor opinions")
3. Multiple Employment Reimbursement (including reimbursement for death benefits in multiple employment situations)
4. Pharmaceutical Reimbursement
5. Death Benefit Reimbursement
6. Healthcare Regional Network Assessment (historical only, not a prospective expense)

These items are described in the following six sections:

Expense Item 1: LIB's

The original purpose of the SIF was to facilitate the employment of handicapped persons by providing a mechanism for funding increased benefit costs arising from pre-existing injuries. This was, and continues to be, accomplished through lifetime income benefits (LIB's) paid to eligible injured workers. The eligibility criteria and benefit amounts vary depending on whether the injury is covered by the "old law" (i.e., accidents prior to January 1, 1991) or the "new law." Under either law, the benefits refer to indemnity benefits only and exclude medical benefits.

Under the old law, if an employee who had previously lost a leg, eye or hand, was to lose a second leg, eye or hand, then the insurance carrier would be liable only for the second injury. The SIF would be liable for the remainder of any total and permanent disability award and pay to the injured worker the portion of workers' compensation benefits attributed to the previous disability or injury. Under the old law, the benefit awards were fixed weekly (or biweekly or monthly) amounts. There was no escalation in benefits.

Under the new law, if an employee had a previous injury, which when combined with a second injury results in a condition for which the injured employee is entitled to lifetime income benefits, the insurance carrier is liable for the second injury only to the extent that the first injury had not existed. The SIF is liable for the remainder of any lifetime income benefits. Under the new law, the benefit awards are subject to 3% escalation per annum.

The SIF determines the liability for known LIB awards using the 2001 Commissioners Standard Mortality Table (Appendix D). For benefits under the new law,

the SIF includes an adjustment to reflect the 3% per year escalation in benefits specified in the law. The SIF calculates the liability at nominal value and does not adjust the liability to present value. This is reasonable considering that the SIF does not receive interest on its funds.

On Sheet 1 of Exhibit IV, we have estimated future LIB payments (cash basis) through 2019 based on the following assumptions (each of which is based on historical experience):

1. There will be 1.4 new LIB's awarded each year.
2. The new LIB's will be under the new law. The average benefit will be approximately \$570 per week in 2015 (see Sheet 2 of Exhibit IV) and will escalate at 3% per year.
3. No existing or future claimants will die before 2019.
4. In the initial year of award, a lump sum of \$50 thousand is payable for accrued benefits.

Appendix A documents the analysis of the number of LIB claims. Future claims are projected based on the expectation of an average number of claims per year of 1.4 and an assumed reporting pattern. The estimate of 1.4 claims per year, as well as the assumed reporting pattern, was based on a review of recent claims activity, discussion with DWC personnel and judgment. The estimate of 1.4 is similar to that we used in our previous actuarial report at August 31, 2012.

In addition to estimating the LIB payments, we estimated the accrual (liability) for future payments associated with LIB claims that have occurred on or before the accounting date. This includes both the liability for known LIB awards, as well as the liability for unknown awards. In Appendix B of this report, we evaluated the liability for known LIB awards using a similar procedure to that used by the SIF. We also estimated

the liability for LIB's that have not yet been awarded but where the underlying accident has occurred (also referred to as IBNR).

Expense Item 2: Carrier Overpayment Reimbursement

The determination of the benefits due an injured employee in the Texas workers' compensation system often involves complex issues and a lengthy process. The process may involve a benefit review conference (an informal procedure in which a DWC hearings officer can order payments of benefits), a contested case hearing (in which a DWC hearings officer issues a decision and order), a DWC appeals panel (that reviews the record and may reverse the decision of the hearings officer and render a new decision; or reverse the decision of the hearings officer and remand the case to the hearings officer for further consideration and development of evidence) and, finally, judicial review in the court system. In this process, previous decisions of DWC that ordered carriers to pay claimants may be reversed or modified. In these situations (whether or not it involves a second injury), the SIF is required to reimburse carriers for overpayments they previously made to claimants. A similar situation, whereby SIF may have to reimburse carriers, exists for reversals or modifications of designated doctor opinions and medical interlocutory orders.

We estimated these reimbursements (cash basis) based on recent experience and an assumed annual growth rate of 0% per year for "carrier overpayment" and "medical interlocutory orders", and a growth rate of 15% per year for "designated doctor," (see Exhibit VI and Exhibit I, Items 3c through 3e). These growth rates average to about 10% per year for these categories combined and is consistent with aggregate growth experienced in the last four years or so.

Because there is a lag between the time when a claim occurs and the time SIF reimburses the insurance carrier, it is necessary to estimate an accrual (liability) for carrier overpayment reimbursements. Accordingly, we have included a liability for this item on Sheet 4 of Exhibit II assuming an average lag of two years in filing a request for reimbursements.

Expense Item 3: Multiple Employment Reimbursement

In 2001, the Texas legislature provided benefits for employees with multiple employers and expanded the responsibilities of the SIF by requiring the SIF to reimburse carriers for income benefits when the benefits have been increased because of the claimant's wages at more than one employer. Effective September 1, 2007, SB 1169 expanded the scope of reimbursement to include death benefits. In the past, SIF paid the multiple employer reimbursement benefit one year in arrears. It is our understanding that, beginning in 2010 and continuing into the future, SIF has made its payments current.

Over the last few years, it has become apparent that SIF is incurring significant liabilities for multiple employment reimbursement benefits associated with death benefits and LIB benefits. Similar to the second injury LIBs that SIF has traditionally covered, these claims may involve lifetime benefits and payout over long periods of time. For this reason, in this report, we have analyzed the liability for these "long-term" claims using an approach similar to that for the "regular" LIB benefits for which SIF has traditionally been liable (see Appendix C).

In addition to the "long term" multiple-employment claims, we separately analyzed the "other" multiple employment claims. We projected payments for these claims assuming a 4% annual growth rate (see Exhibit V, Sheet 2). Since these "other"

claims involve shorter time lags in the payment process, we included a liability for this item on Sheet 4 of Exhibit II assuming an average lag of one year in filing a request for reimbursement (see also Exhibit V, Sheets 1 and 2).

Expense Item 4: Pharmaceutical Reimbursement

In 2003, the Texas legislature expanded the responsibilities of the SIF by requiring the SIF to reimburse carriers for pharmaceutical services for the first seven days following an injury in situations where the injury is ultimately found to be non-compensable. We understand that, to date, there have been very few requests for pharmaceutical reimbursements.

Expense Item 5: Death Benefit Refund

As described earlier, the SIF's source of income is payments from insurance carriers in no-beneficiary death claims. In some situations, insurance carriers must provide payments to the SIF under the assumption that there is no beneficiary only to discover later that there is, in fact, an eligible beneficiary and that the carrier has overpaid the SIF. In these situations, the SIF is responsible for issuing a refund to the insurance carrier for the overpayment. Based on recent historical experience, we have estimated that these reimbursements average about 6% of the gross death benefits paid by carriers to the SIF. We used this 6% factor to project future (cash) reimbursements (see Row 3b of Exhibit I).

Because there is a lag between the time SIF receives a payment from an insurance carrier and the time it refunds a portion or all of that payment back to the carrier, it is necessary to estimate an accrual (liability) for death benefit refunds.

Accordingly, we have included a liability for this item on Sheet 4 of Exhibit II assuming an average lag of two years in making reimbursements.

Review of Experience

The revenue and expense payment projections in this report are based on historical trends. The historical and future revenue and expense payments are illustrated on Exhibit VII.

Data Sources

Data for this analysis was provided by DWC as follows:

- copies of schedules of LIB claims, as well as multiple employment claims involving LIB or survivor benefit of August 31, 2014; and,
- copies of schedules prepared by DWC breaking out revenues and expenses into various categories.

This data was supplemented by the following:

- data underlying the 2001 Commissioners Standard Ordinary Mortality Table from the Texas Department of Insurance website; and,
- a copy of an article by an economist Thomas Amirault entitled Characteristics of Multiple Jobholders, 1995 and published in the *Monthly Labor Review* in March 1997.
- Data previously provided to us by DWC for earlier actuarial studies.

All of the data were accepted for analysis without audit or verification.

Acknowledgment

We acknowledge the assistance of DWC in providing the data and answering questions on the operations of the SIF.

Inherent Variability

Any projection of financial results for the SIF involves the estimation of future contingent events. Actual results are likely to vary from projections. We have, however, utilized standard actuarial methods and considerations and believe the results are reasonable.

RESULTS AND CONCLUSIONS

Based on our analysis we have the following results and conclusions:

Projected Cash Flows

Exhibit I provides a summary of the actual cash flows, as well as projected cash flows, through the end of fiscal year 2019. It can be seen that SIF's cash balance grew rapidly through fiscal year 2007. Since that time, the growth has been more moderate. We project that, under current law, the growth will level off and slowly reverse in the next few years as we expect expenses will begin to exceed revenues on a cash basis.

Projected Balance Sheet

Sheet 1 of Exhibit II provides a summary of SIF's estimated balance sheet at the end of fiscal years 2014 through 2019 on a full accrual basis. In addition, it

provides a similar balance sheet at the end of fiscal year 2012 based on our previous actuarial report. Although an actuarial report was not provided in 2013, 2013 is also shown here, estimated with the benefit of hindsight. The balance sheet has been estimated based on the cash amounts on Exhibit I adjusted to reflect accruals for revenue and expenses associated with all claims occurring through the evaluation date. These accruals include:

1. An asset accrual for cash expected to be received from all deaths that occurred through the accounting date, regardless of when the SIF actually receives the money.
2. A liability accrual for all LIB's that are expected to arise from accidents occurring through the accounting date, but awarded after the accounting date.
3. A liability accrual for all multiple employment benefits that are expected to arise from long-term claims (i.e., widow, children, dependent and non-dependent parents), as well as a liability for short-term claims.
4. A liability accrual for all the other reimbursements the SIF is required to make that reflects the time lag inherent in the reimbursement process.

It can be seen that the accrual items noted above result in a substantial reduction to the net assets of the SIF. However, for the upcoming year the net assets remain positive. The net assets are projected, under current law, to decrease into the foreseeable future and, on this trajectory, additional revenue sources will be required sometime in the future.

Projected Income Statement (Accrual Basis)

Sheet 2 of Exhibit II provides a summary of SIF's projected income statement for fiscal years 2015 through 2019. This income statement is calculated on a full accrual basis similar to how the balance sheet was calculated on Sheet 1 of Exhibit II.

This Sheet also includes the income for fiscal years 2013 and 2014 as implied by our current and prior actuarial reports.

Annuities

The liabilities for LIB's in the discussion above are based on nominal values and have not been reduced to reflect the time value of money. We understand the SIF is permitted to purchase annuities to satisfy LIB awards. If the SIF was to do this, the immediate effect would likely be to increase the net assets of the SIF. This is because annuities reflect the present value of future payments (i.e. payments discounted to reflect interest), whereas SIF's net assets are calculated on a nominal basis. We do, however, note the following:

1. The purchase of annuities would expose the SIF to a credit risk. We understand that the SIF would reassume responsibility of paying claims should the issuer of the annuity not fulfill its responsibilities.
2. Viewed from the narrow prospective of the SIF, there may be financial advantages in purchasing annuities. However, from the perspective of the State, this may be a disadvantage as it reduces interest income to the State.

To illustrate this issue, we have estimated that the discount, at a 3.5% interest rate, in the liability for LIB's at August 31, 2014 is about \$4.5 million for awarded LIB's and \$4.7 million for IBNR LIB's (see Appendix B, Sheet 1). Similarly, we have estimated the amount of discount for multiple employment claims as about \$10.6 million for known claims and \$1.7 million for IBNR claims (see Appendix C, Sheet 1). These estimated values provide an indication of the possible financial gain to the SIF from purchasing annuities.

Comparison to Our Previous Analyses

We have previously performed similar analyses of the SIF at two year intervals. In particular, we performed an analysis of the SIF as of August 31, 2012. The methodology used in this current report is generally similar to that used in our previous report.

We have noted that the actual experience of the SIF for fiscal year 2013 was significantly less favorable than we projected in our previous report as of August 31, 2012. This was the result of significant liabilities arising from fatalities and injuries sustained in a large industrial explosion and corresponding multiple employment claims. The experience in fiscal year 2014 was significantly more favorable due to larger than expected revenue. However, the favorable financial experience in 2014 was not enough to entirely offset the unfavorable experience from 2013 (see Exhibit II, Sheet 3).

GENERAL

Finally, in order to keep this report reasonably concise we have not included any of the source documents. This information is available at the request of DWC.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACTUAL AND PROJECTED CASH FLOWS BY FISCAL YEAR
((\$000'S))**

Item	Actual Amounts (a)									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
(1) Begin Cash (b)	\$ 13,168	\$ 15,550	\$ 17,580	\$ 22,777	\$ 27,221	\$ 32,014	\$ 39,867	\$ 43,052	\$ 46,705	\$ 50,091
(2) Revenue:										
(2a) Death Benefits Paid Into SIF (c)	\$ 2,682	\$ 2,256	\$ 5,540	\$ 4,699	\$ 5,782	\$ 10,827	\$ 5,769	\$ 6,445	\$ 5,994	\$ 7,087
(2b) Interest (d)	786	850	1,074	1,343	949	583	(11)	-	-	-
(2c) Other (e)	11	7	5	29	6	2	17	1	-	-
(2d) Total	\$ 3,479	\$ 3,113	\$ 6,619	\$ 6,071	\$ 6,737	\$ 11,412	\$ 5,775	\$ 6,446	\$ 5,994	\$ 7,087
(3) Expenses										
(3a) LIB's [3801] (f)	\$ 384	\$ 576	\$ 415	\$ 428	\$ 414	\$ 498	\$ 480	\$ 462	\$ 444	\$ 485
(3b) Death Benefit Reimbursement [3803](g)	-	-	318	61	-	263	18	15	505	357
(3c) Carrier Overpayment [3802] (h)	750	521	696	1,110	1,568	2,389	1,902	2,053	1,493	1,561
(3d) Medical Interlocutory [3807] (h)	N/A or Included in Line (3c) Above								-	5
(3e) Designated Doctor [3808] (h)	N/A or Included in Line (3c) Above								-	-
(3f) Multi-Employment [3805] (i)	-	-	-	-	-	-	58	152	184	140
(3g) Pharmaceutical [3806]	N/A or Included in Line (3b) Above								-	-
(3h) Health Care Regional Network	-	-	-	-	168	167	15	(2)	-	-
(3i) Total	\$ 1,134	\$ 1,097	\$ 1,429	\$ 1,599	\$ 2,150	\$ 3,317	\$ 2,473	\$ 2,680	\$ 2,626	\$ 2,548
(4) Net Revenue and Expense [(2d) - (3i)]	2,345	2,016	5,190	4,472	4,587	8,095	3,302	3,766	3,368	4,539
(5) Adjustments for Accruals (j)	37	14	7	(28)	206	(242)	(117)	(113)	18	(182)
(6) Change In Cash [(4) + (5)]	\$ 2,382	\$ 2,030	\$ 5,197	\$ 4,444	\$ 4,793	\$ 7,853	\$ 3,185	\$ 3,653	\$ 3,386	\$ 4,357
(7) End Cash [(1) + (6)]	\$ 15,550	\$ 17,580	\$ 22,777	\$ 27,221	\$ 32,014	\$ 39,867	\$ 43,052	\$ 46,705	\$ 50,091	\$ 54,448

Notes: All actual amounts provided by DWC.

- (a) Amounts prior to 2013 are from previous report.
Amounts for 2013 and 2014 are from "revenue" and "expense" reports provided by DWC.
- (b) Beginning cash for 1998 provided by DWC.
All other amounts based on ending cash for previous year.
- (c) Projected amounts are from Exhibit III.
- (d) Projected amounts are \$ 0 since it is our understanding that interest no longer accrues to the benefit of the SIF.
- (e) Projected amount \$0.
Currently SIF does not have any "other" sources of revenue.
- (f) Projected amounts are from Exhibit IV, Sheet 1.
- (g) Projected amounts calculated as 6% of (2a) lagged by 2 years.
- (h) Projected amounts based on trend factors from Exhibit VI.
- (i) Projected amounts are from Exhibit V, Sheet 1.
- (j) Forced amounts to ensure reconciliation to actual cash balance.

TEXAS SUBSEQUENT INJURY FUND

SUMMARY OF ACTUAL AND PROJECTED CASH FLOWS BY FISCAL YEAR
(\$000'S)

Item	Actual Amounts (a)							Projected Amounts				
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
(1) Begin Cash (b)	\$ 54,448	\$ 55,608	\$ 60,220	\$ 60,250	\$ 62,564	\$ 63,385	\$ 65,038	\$ 69,938	\$ 70,213	\$ 69,869	\$ 69,281	\$ 68,149
(2) Revenue:												
(2a) Death Benefits Paid Into SIF (c)	\$ 5,400	\$ 7,946	\$ 4,980	\$ 7,506	\$ 6,179	\$ 7,402	\$ 11,416	\$ 8,000	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359
(2b) Interest (d)	-	-	-	-	-	-	-	-	-	-	-	-
(2c) Other (e)	-	-	-	-	-	-	-	-	-	-	-	-
(2d) Total	\$ 5,400	\$ 7,946	\$ 4,980	\$ 7,506	\$ 6,179	\$ 7,402	\$ 11,416	\$ 8,000	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359
(3) Expenses												
(3a) LIB's [3801] (f)	\$ 634	\$ 614	\$ 642	\$ 643	\$ 594	\$ 578	\$ 582	\$ 636	\$ 692	\$ 751	\$ 812	\$ 877
(3b) Death Benefit Reimbursement [3803](g)	1,139	94	360	162	16	269	152	444	685	480	499	519
(3c) Carrier Overpayment [3802] (h)	1,951	1,407	2,107	2,659	1,611	1,742	1,761	1,761	1,761	1,761	1,761	1,761
(3d) Medical Interlocutory [3807] (h)	45	17	38	-	-	-	-	-	-	-	-	-
(3e) Designated Doctor [3808] (h)	169	625	624	790	1,841	1,990	2,744	3,156	3,629	4,173	4,799	5,519
(3f) Multi-Employment [3805] (i)	484	577	1,190	926	1,296	1,170	1,276	1,727	1,896	2,075	2,259	2,450
(3g) Pharmaceutical [3806]	-	-	-	-	-	-	1	1	1	1	1	1
(3h) Health Care Regional Network	-	-	-	-	-	-	-	-	-	-	-	-
(3i) Total	\$ 4,422	\$ 3,334	\$ 4,961	\$ 5,180	\$ 5,358	\$ 5,749	\$ 6,516	\$ 7,725	\$ 8,664	\$ 9,241	\$ 10,131	\$ 11,127
(4) Net Revenue and Expense [(2d) - (3i)]	978	4,612	19	2,326	821	1,653	4,900	275	(344)	(588)	(1,132)	(1,768)
(5) Adjustments for Accruals (j)	182	-	11	(12)	-	-	-	-	-	-	-	-
(6) Change In Cash [(4) + (5)]	\$ 1,160	\$ 4,612	\$ 30	\$ 2,314	\$ 821	\$ 1,653	\$ 4,900	\$ 275	\$ (344)	\$ (588)	\$ (1,132)	\$ (1,768)
(7) End Cash [(1) + (6)]	\$ 55,608	\$ 60,220	\$ 60,250	\$ 62,564	\$ 63,385	\$ 65,038	\$ 69,938	\$ 70,213	\$ 69,869	\$ 69,281	\$ 68,149	\$ 66,381

Notes: All actual amounts provided by DWC.

- (a) Amounts prior to 2013 are from previous report.
Amounts for 2013 and 2014 are from "revenue" and "expense" reports provided by DWC.
- (b) Beginning cash for 1998 provided by DWC.
All other amounts based on ending cash for previous year.
- (c) Projected amounts are from Exhibit III.
- (d) Projected amounts are \$ 0 since it is our understanding that interest no longer accrues to the benefit of the SIF.
- (e) Projected amount \$0.
Currently SIF does not have any "other" sources of revenue.
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- (g) Projected amounts calculated as 6% of (2a) lagged by 2 years.
- (h) Projected amounts based on trend factors from Exhibit VI.
- (i) Projected amounts are from Exhibit V, Sheet 1.
- (j) Forced amounts to ensure reconciliation to actual cash balance.

TEXAS SUBSEQUENT INJURY FUND
SUMMARY OF PROJECTED BALANCE SHEET
FULL ACCRUAL BASIS
(\$000'S)

	Fiscal Year Ending							
	2012	2013	2014	2015	2016	2017	2018	2019
(1) Year Ending Cash (a)	\$ 63,385	\$ 65,038	\$ 69,938	\$ 70,213	\$ 69,869	\$ 69,281	\$ 68,149	\$ 66,381
(2) Receivable for Unreported Claims (b)	6,640	7,320	8,000	8,320	8,653	8,999	9,359	9,733
(3) Total ("Assets") [(1)+(2)]	\$ 70,025	\$ 72,358	\$ 77,938	\$ 78,533	\$ 78,522	\$ 78,280	\$ 77,508	\$ 76,114
(4) Liability For Reported Claims								
(5) LIB's (c)	\$ 13,662	\$ 13,264	\$ 12,866	\$ 14,099	\$ 15,332	\$ 16,564	\$ 17,795	\$ 19,022
(6) Multiple-Employment (d)	6,402	18,728	23,728	28,061	32,417	36,792	41,188	45,604
(7) Other	-	-	-	-	-	-	-	-
(8) Subtotal [(5)+(6)+(7)]	\$ 20,064	\$ 31,992	\$ 36,594	\$ 42,160	\$ 47,749	\$ 53,356	\$ 58,983	\$ 64,626
(9) Liability For Unreported Claims								
(10) LIB's IBNR (b)	\$ 9,540	\$ 9,911	\$ 10,282	\$ 10,590	\$ 10,908	\$ 11,235	\$ 11,572	\$ 11,919
(11) Multiple-Employment IBNR (b)	5,144	4,969	4,794	4,986	5,186	5,393	5,609	5,834
(12) Other (b)	7,988	9,952	11,916	12,988	13,992	15,398	17,009	18,854
(13) Subtotal [(10)+(11)+(12)]	\$ 22,672	\$ 24,832	\$ 26,992	\$ 28,564	\$ 30,086	\$ 32,026	\$ 34,190	\$ 36,607
(14) Liability For Reported and Unreported Claims								
(15) LIB's [(5)+(10)]	\$ 23,202	\$ 23,175	\$ 23,148	\$ 24,689	\$ 26,240	\$ 27,799	\$ 29,367	\$ 30,941
(16) Multiple-Employment [(6)+(11)]	11,546	23,697	28,522	33,047	37,603	42,185	46,797	51,438
(17) Other [(7)+(12)]	7,988	9,952	11,916	12,988	13,992	15,398	17,009	18,854
(18) Total ("Liabilities") [(15)+(16)+(17)]	\$ 42,736	\$ 56,824	\$ 63,586	\$ 70,724	\$ 77,835	\$ 85,382	\$ 93,173	\$ 101,233
(19) Net Assets [(3) - (18)]	\$ 27,289	\$ 15,534	\$ 14,352	\$ 7,809	\$ 687	\$ (7,102)	\$ (15,665)	\$ (25,119)

- Notes: (a) Amount for 2012 is from prior actuarial report. Remaining values are from Exhibit I, Sheet 2.
(b) Amount for 2012 is from prior actuarial report. Remaining values are from Exhibit II, Sheet 4.
(c) Amount for 2012 is from prior actuarial report. Remaining values are from Exhibit IV, Sheet 1.
(d) Amount for 2012 is from prior actuarial report. Remaining values are from Exhibit V, Sheet 1.

TEXAS SUBSEQUENT INJURY FUND
SUMMARY OF PROJECTED INCOME STATEMENT
FULL ACCRUAL BASIS
(\$000'S)

	Fiscal Year						
	2013	2014	2015	2016	2017	2018	2019
(1) Cash Received (a)	\$ 7,402	\$ 11,416	\$ 8,000	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359
(2) Change in Receivable (b)	680	680	320	333	346	360	374
(3) Revenue For Year [(1)+(2)]	\$ 8,082	\$ 12,096	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359	\$ 9,733
Claim Payments							
(4) LIB's (c)	\$ 578	\$ 582	\$ 636	\$ 692	\$ 751	\$ 812	\$ 877
(5) Multiple-Employment (c)	1,170	1,276	1,727	1,896	2,075	2,259	2,450
(6) Other (c)	4,001	4,658	5,362	6,076	6,415	7,060	7,800
(7) Subtotal	\$ 5,749	\$ 6,516	\$ 7,725	\$ 8,664	\$ 9,241	\$ 10,131	\$ 11,127
Change In Accrued Liability							
(8) LIB's (d)	\$ (27)	\$ (27)	\$ 1,541	\$ 1,551	\$ 1,559	\$ 1,568	\$ 1,574
(9) Multiple-Employment (e)	12,151	4,825	4,525	4,556	4,582	4,612	4,641
(10) Other (f)	1,964	1,964	1,072	1,004	1,406	1,611	1,845
(11) Subtotal	\$ 14,088	\$ 6,762	\$ 7,138	\$ 7,111	\$ 7,547	\$ 7,791	\$ 8,060
Amount Incurred In Year							
(12) LIB's [(4) + (8)]	\$ 551	\$ 555	\$ 2,177	\$ 2,243	\$ 2,310	\$ 2,380	\$ 2,451
(13) Multiple-Employment [(5) + (9)]	13,321	6,101	6,252	6,452	6,657	6,871	7,091
(14) Other [(6) + (10)]	5,965	6,622	6,434	7,080	7,821	8,671	9,645
(15) Total	\$ 19,837	\$ 13,278	\$ 14,863	\$ 15,775	\$ 16,788	\$ 17,922	\$ 19,187
(16) Gain or (Loss) [(3)-(15)]	\$ (11,755)	\$ (1,182)	\$ (6,543)	\$ (7,122)	\$ (7,789)	\$ (8,563)	\$ (9,454)

- Notes: (a) Based on Exhibit I.
(b) Based on amounts on Exhibit II, Sheet 1, Row (2).
(c) From Exhibit I.
(d) Based on amounts on Exhibit II, Sheet 1, Row (15).
(e) Based on amounts on Exhibit II, Sheet 1, Row (16).
(f) Based on amounts on Exhibit II, Sheet 1, Row (17).

TEXAS SUBSEQUENT INJURY FUND

RECONCILIATION OF NET ASSETS AT 8/31/2012 AND 8/31/2014
 FULL ACCRUAL BASIS
 (\$000'S)

Item	Projected At 8/31/2012 (a)	Actual (b)	Variance [(3) - (2)]
(1)	(2)	(3)	(4)
Net Assets at 8/31/2012	\$ 27,289	\$ 27,289	
Revenue	13,883	20,178	\$ 6,295
Expenses	<u>(21,794)</u>	<u>(33,115)</u>	<u>(11,321)</u>
Net Assets at 8/31/2014	\$ 19,378	\$ 14,352	\$ (5,026)

Notes: (a) From prior actuarial report as of 8/31/2012.
 (b) Based on Sheet 2 of Exhibit II.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACCRUALS FOR UNREPORTED CLAIMS
(\$000'S)**

Item	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19
(1) Gross Assets:						
(1a) Accrual For Death Benefits Due SIF(a)	\$ 8,000	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359	\$ 9,733
(1b) Other	-	-	-	-	-	-
(1c) Total	\$ 8,000	\$ 8,320	\$ 8,653	\$ 8,999	\$ 9,359	\$ 9,733
(2) Liabilities:						
(2a) LIB's (IBNR) (b)	\$ 10,282	\$ 10,590	\$ 10,908	\$ 11,235	\$ 11,572	\$ 11,919
(2b) Death Benefit Reimbursement (c)	1,609	1,664	1,498	1,558	1,621	1,686
(2c) Carrier Overpayment (d)	3,522	3,522	3,522	3,522	3,522	3,522
(2d) Medical Interlocutory (d)	-	-	-	-	-	-
(2e) Designated Doctor (d)	6,785	7,802	8,972	10,318	11,866	13,646
(2f) Multi-Employment (e)	4,794	4,986	5,186	5,393	5,609	5,834
(2g) Pharmaceutical	-	-	-	-	-	-
(2h) Health Care Regional Network	-	-	-	-	-	-
(2i) Other	-	-	-	-	-	-
(2j) Total	\$ 26,992	\$ 28,564	\$ 30,086	\$ 32,026	\$ 34,190	\$ 36,607

Notes:

- (a) Estimated as 100% of the payment made in the subsequent year from Exhibit III.
- (b) Amounts at 8/31/14 from Appendix B, Sheet 1. Other amounts based on 3% escalation.
- (c) Estimated as 6.0% of (1a) plus 100% of the next two years payments from Exhibit I.
- (d) Estimated as 100% of the next two years payments from Exhibit I.
- (e) From Exhibit V, Sheet 1.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF LIB'S FUTURE LIABILITY AND PAYMENTS FOR KNOWN CLAIMS
(\$000'S)

Item	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19
Outstanding Liability At Year End (Undiscounted)						
Open Claims - Old Law (a)	\$ 3,908	\$ 3,692	\$ 3,476	\$ 3,260	\$ 3,044	\$ 2,828
Open Claims - New Law (a)	8,958	8,629	8,290	7,941	7,582	7,212
New Claims (2015) - New Law (b)	-	1,778	1,735	1,690	1,644	1,596
New Claims (2016) - New Law (b)	-	-	1,831	1,787	1,741	1,694
New Claims (2017) - New Law (b)	-	-	-	1,886	1,841	1,794
New Claims (2018) - New Law (b)	-	-	-	-	1,943	1,897
New Claims (2019) - New Law (b)	-	-	-	-	-	2,001
Total	\$ 12,866	\$ 14,099	\$ 15,332	\$ 16,564	\$ 17,795	\$ 19,022

Item	2015	2016	2017	2018	2019
Estimated Payments Made In Fiscal Year					
Open Claims - Old Law (a)	\$ 216	\$ 216	\$ 216	\$ 216	\$ 216
Open Claims - New Law (a)	329	339	349	359	370
New Claims (2015) - New Law (b)	91	43	45	46	48
New Claims (2016) - New Law (b)	-	94	44	46	47
New Claims (2017) - New Law (b)	-	-	97	45	47
New Claims (2018) - New Law (b)	-	-	-	100	46
New Claims (2019) - New Law (b)	-	-	-	-	103
Total	\$ 636	\$ 692	\$ 751	\$ 812	\$ 877

Notes:

- (a) Liability at 8/31/14 is from Appendix B, Sheet 1. Remaining liabilities are calculated by deducting estimated payments. Estimated payments are based on actual periodic payments (assuming no deaths).
- (b) Amounts for 2015 based on 1.4 claims multiplied by amounts for a single claim on Sheet 2. Other years based on 3% trend from Exhibit VI.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF PROJECTED PAYMENTS AND LIABILITIES FOR
A LIB CLAIM EMERGING IN 2015
(\$000'S)

Item	Fiscal Year				
	2015	2016	2017	2018	2019
(1) Average Weekly Payment (a)	\$ 0.57	\$ 0.59	\$ 0.61	\$ 0.63	\$ 0.65
(2) Number of Weeks (b)	26	52	52	52	52
(3) Lump Sum Payment (c)	50	-	-	-	-
(4) Total Payments (d)	\$ 65	\$ 31	\$ 32	\$ 33	\$ 34
Liability For Unpaid Claim (Undiscounted)					
(5a) Start of Fiscal Year (e)	\$ 1,335	\$ 1,270	\$ 1,239	\$ 1,207	\$ 1,174
(5b) End of Fiscal Year (e)	1,270	1,239	1,207	1,174	1,140

Notes:

- (a) Estimated based on judgment and review of historical weekly payments from Appendix B, Sheet 2 (average-new law).
- (b) It is assumed that claim emerges at midpoint of 2015 and that claimant lives through 2019.
- (c) Lump sum payment based on judgment and discussion of historical experience with DWC.
- (d) (4) = (1) x (2) + (3)
- (e) Liability at end of 2014 based on undiscounted average reserve on Appendix B, Sheet 3.
We assume that there are no deaths in the projection period.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF FUTURE LIABILITY AND PAYMENTS FOR
MULTI-EMPLOYMENT CLAIMS
(\$000'S)

Item	Evaluation Date / Year Ending					
	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Estimated Unpaid Liabilities at Evaluation Date						
Known Long Term Claims (a)	\$ 23,728	\$ 28,061	\$ 32,417	\$ 36,792	\$ 41,188	\$ 45,604
Unreported - Long Term (b)	3,794	3,946	4,104	4,268	4,439	4,617
Unreported - Other (c)	1,000	1,040	1,082	1,125	1,170	1,217
Total	\$ 28,522	\$ 33,047	\$ 37,603	\$ 42,185	\$ 46,797	\$ 51,438
Estimated Paid In Year						
Long Term Claims (a)		\$ 727	\$ 856	\$ 993	\$ 1,134	\$ 1,280
Other Claims (c)		1,000	1,040	1,082	1,125	1,170
Total		\$ 1,727	\$ 1,896	\$ 2,075	\$ 2,259	\$ 2,450

Notes:

(a) See Exhibit V, Sheet 3.

(b) Based on IBNR from Appendix C, Sheet 1 trended at 4% per annum.

(c) See Exhibit V, Sheet 2.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF FUTURE LIABILITY AND PAYMENTS FOR KNOWN CLAIMS
MULTI-EMPLOYMENT LONG-TERM CLAIMS
(\$000'S)

Fiscal Year	Paid Amounts All Multi-Employment Claims (a)			Trend Factor (b)	Other Trended [(4) x (5)]
	Total	Long-Term	Other [(2)-(3)]		
(1)	(2)	(3)	(4)	(5)	(6)
2004	\$ 58	\$ -	\$ 58	1.541	\$ 89
2005	152	-	152	1.482	225
2006	184	-	184	1.425	262
2007	140	-	140	1.370	192
2008	484	-	484	1.317	637
2009	577	70	507	1.266	642
2010	1,190	75	1,115	1.217	1,357
2011	926	117	809	1.170	947
2012	1,296	167	1,129	1.125	1,270
2013	1,170	261	909	1.082	984
2014	1,276	649	627	1.040	652
3-Average					\$ 969
5-Average					\$ 1,042
7-Average					\$ 927
Selected					\$ 1,000
Projected Future Payments - "Other Claims" Only (c)					
2015					\$ 1,000
2016					\$ 1,040
2017					\$ 1,082
2018					\$ 1,125
2019					\$ 1,170
2020					\$ 1,217
Projected Unpaid Liabilities at Year End - "Other Claims" Only (d)					
2014					\$ 1,000
2015					\$ 1,040
2016					\$ 1,082
2017					\$ 1,125
2018					\$ 1,170
2019					\$ 1,217

Notes:

- (a) Total amount for all years and long-term amounts for 2013, 2014 provided by DWC.
Long term amounts for earlier years estimated by MCG.
- (b) Trend rate of 4% per year estimated by MCG based on judgment.
- (c) Selected value trended at 4% per year.
- (d) Estimated based on an assumed lag of one year in claim payments.

TEXAS SUBSEQUENT INJURY FUND

**DEVELOPMENT OF FUTURE LIABILITY AND PAYMENTS FOR KNOWN CLAIMS
MULTI-EMPLOYMENT LONG-TERM CLAIMS
(\$000'S)**

Item	8/31/14	8/31/15	8/31/16	8/31/17	8/31/18	8/31/19
Outstanding Liability At Year End (Undiscounted)						
Open Claims (a)	\$ 23,728	\$ 23,065	\$ 22,399	\$ 21,730	\$ 21,058	\$ 20,382
New Claims (2015) (b)	-	4,996	4,872	4,744	4,616	4,488
New Claims (2016) (b)	-	-	5,146	5,018	4,886	4,754
New Claims (2017) (b)	-	-	-	5,300	5,169	5,033
New Claims (2018) (b)	-	-	-	-	5,459	5,324
New Claims (2019) (b)	-	-	-	-	-	5,623
Total	\$ 23,728	\$ 28,061	\$ 32,417	\$ 36,792	\$ 41,188	\$ 45,604

Item	2015	2016	2017	2018	2019
Estimated Payments Made In Fiscal Year					
Open Claims (a)	\$ 663	\$ 666	\$ 669	\$ 672	\$ 676
New Claims (2015) (b)	64	124	128	128	128
New Claims (2016) (b)	-	66	128	132	132
New Claims (2017) (b)	-	-	68	132	136
New Claims (2018) (b)	-	-	-	70	136
New Claims (2019) (b)	-	-	-	-	72
Total	\$ 727	\$ 856	\$ 993	\$ 1,134	\$ 1,280

Notes:

- (a) Liability at 8/31/14 is from Appendix C, Sheet 1. Remaining liabilities are calculated by deducting estimated payments. Estimated payments are based on actual periodic payments (assuming no deaths).
- (b) Amounts for 2015 based on 4 claims multiplied by amounts for a single claim on Sheet 2. Other years based on 3% trend.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF PROJECTED PAYMENTS AND LIABILITIES FOR
A MULTI-EMPLOYMENT CLAIM WITH LONG-TERM BENEFITS EMERGING IN 2015
(\$000'S)

Item	Fiscal Year				
	2015	2016	2017	2018	2019
(1) Average Weekly Payment (a)	\$ 0.600	\$ 0.604	\$ 0.608	\$ 0.612	\$ 0.616
(2) Number of Weeks (b)	26	52	52	52	52
(3) Lump Sum Payment (c)	-	-	-	-	-
(4) Total Payments (d)	\$ 16	\$ 31	\$ 32	\$ 32	\$ 32
Liability For Unpaid Claims (Undiscounted)					
(5a) Start of Fiscal Year (e)	\$ 1,265	\$ 1,249	\$ 1,218	\$ 1,186	\$ 1,154
(5b) End of Fiscal Year (e)	1,249	1,218	1,186	1,154	1,122

Notes:

- (a) Estimated based on judgment and review of historical weekly payments from Appendix C, Sheet 3 (average).
- (b) It is assumed that the claim emerges at midpoint of 2015 and that claimant lives through 2019.
- (c) Lump sum payment based on judgment and discussion of historical experience with DWC.
- (d) (4) = (1) x (2) + (3)
- (e) Liability at end of 2014 based on undiscounted average claim severity on appendix C, Sheet 2.
We assume that there are no deaths or remarriages in the projection period.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF SELECTED FUTURE REVENUE AND EXPENSE TRENDS
AS OF AUGUST 31, 2014**

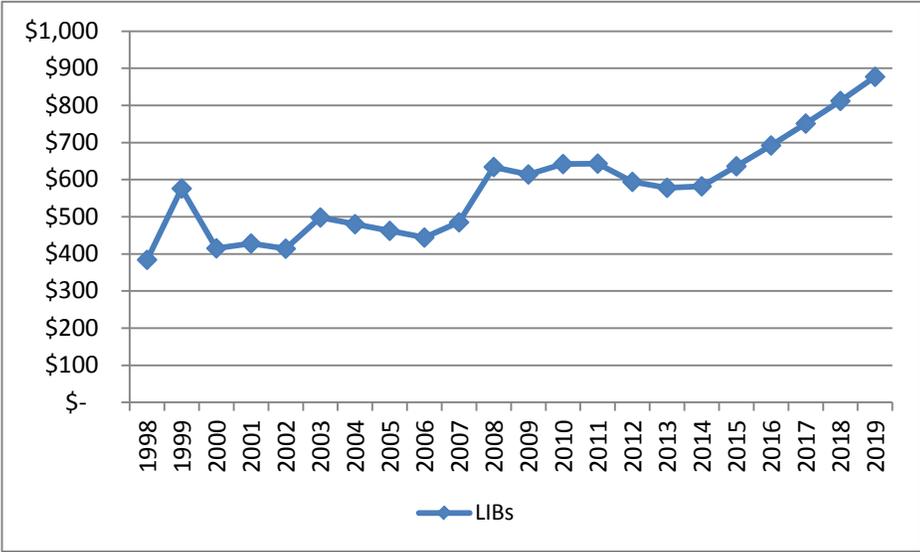
Time Period	LIB	Carrier Overpayment	Designated Doctor	Multi Employment	Revenue
(1)	(2)	(3)	(4)	(5)	(6)
Long Term (a)	2.6%	1.3%	33.5%	27.8%	5.2%
Last 4 Years (b)	-3.3%	-11.6%	38.1%	8.6%	14.4%
Previous Selected (c)	3.0%	4.0%	20.0%	15.0%	3.0%
Selected (Future) (d)	3.0%	0.0%	15.0%	NA	4.0%

- Notes: (a) Based on available data from Exhibit I, Sheet 1.
Details available upon request.
- (b) Based on data for 20011-14 from Exhibit I, Sheet 1.
Details available upon request.
- (c) From corresponding Exhibit from 8/31/2012 report.
- (d) Selected future trend for Carrier Overpayment and Designated Doctor equates to an approximate 10% average trend for these categories.
This is consistent with recent aggregate experience.

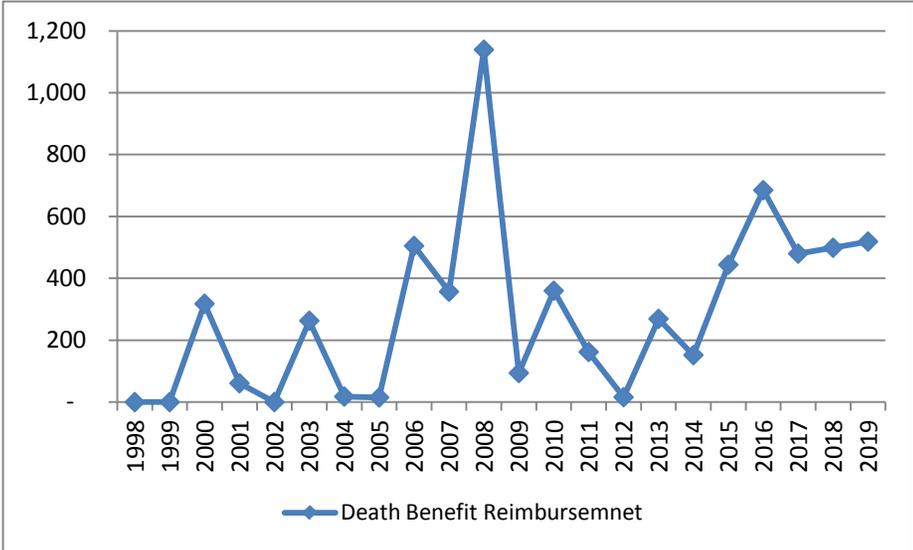
TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACTUAL AND PROJECTED PAYMENTS
 AS OF AUGUST 31, 2014 (CASH BASIS)
 (\$000'S)**

LIB's



Death Benefit Reimbursement

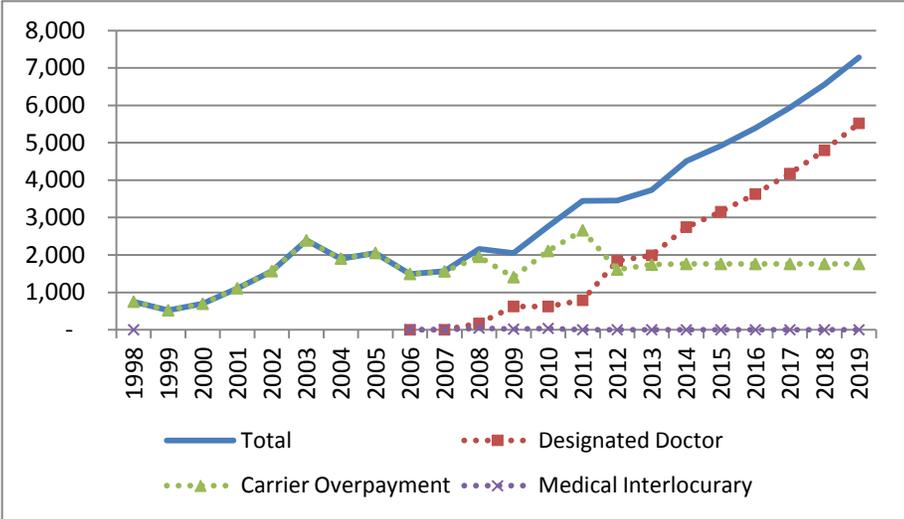


Source: Exhibit I, Sheet 1.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACTUAL AND PROJECTED PAYMENTS
 AS OF AUGUST 31, 2014 (CASH BASIS)
 (\$000'S)**

Carrier Overpayment, Designated Doctor, Medical Interlocutory

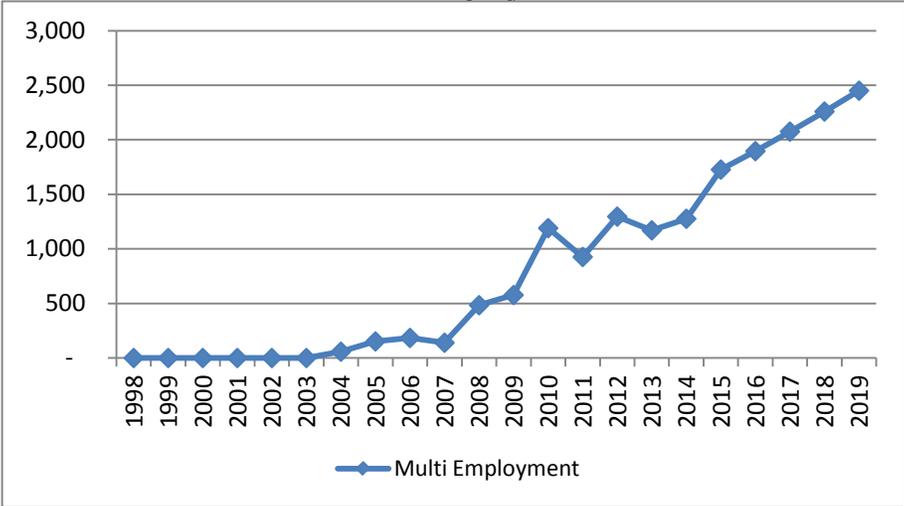


Source: Exhibit I, Sheet 1.

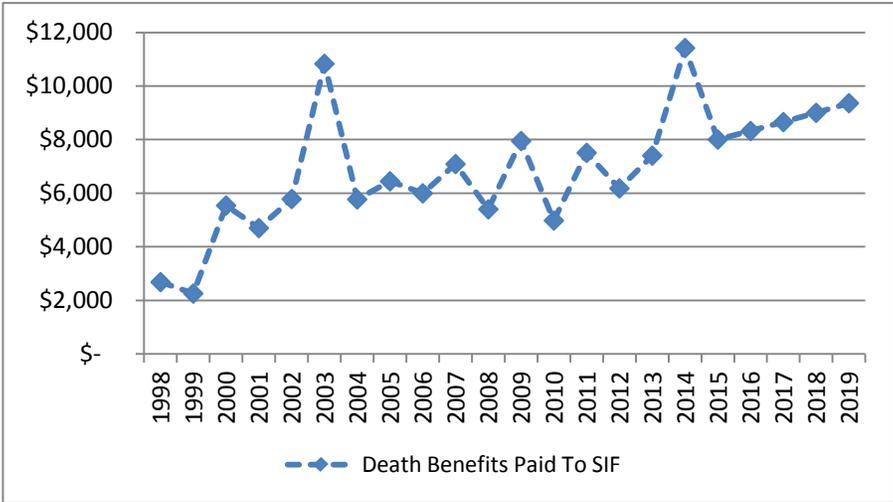
TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACTUAL AND PROJECTED PAYMENTS
 AS OF AUGUST 31, 2014 (CASH BASIS)
 (\$000'S)**

Multi-Employment



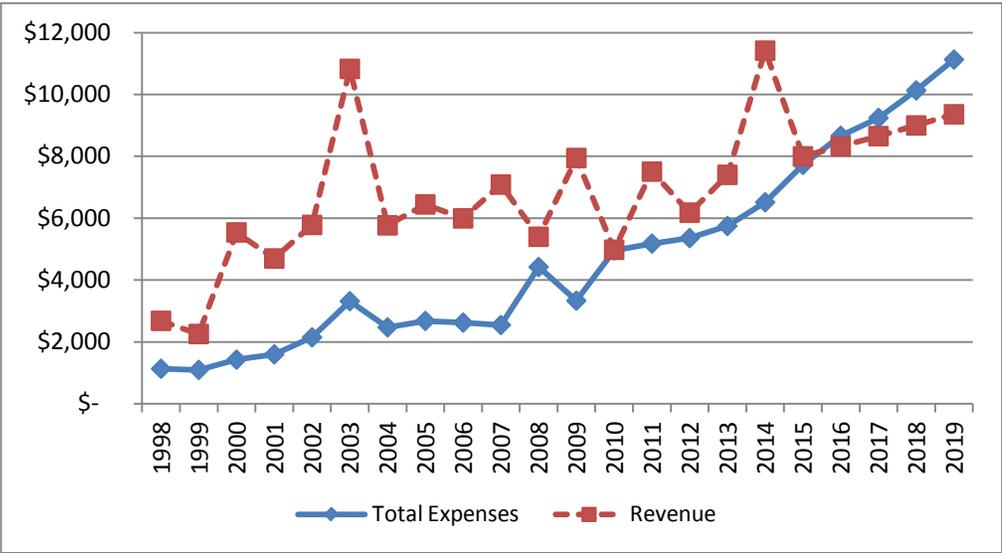
Death Benefits Paid to SIF



Source: Exhibit I, Sheet 1.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF ACTUAL AND PROJECTED EXPENSES AND REVENUE
AS OF AUGUST 31, 2014 (CASH BASIS)
(\$000'S)**



Source: Exhibit I, Sheet 1.

TEXAS SUBSEQUENT INJURY FUND

SUMMARY OF NUMBER OF LIB'S
AS OF AUGUST 31, 2014

Fiscal Year Ending:	Number of Deceased LIB's (a)	Number of Open LIB's (a)	Estimated Number Not Yet Awarded (b)	Estimated Total Number of LIB's [(2) + (3) + (4)]
(1)	(2)	(3)	(4)	(5)
1982	2.0	-	-	2.0
1983	2.0	4.0	-	6.0
1984	-	4.0	-	4.0
1985	1.0	2.0	-	3.0
1986	1.0	4.0	-	5.0
1987	1.0	1.0	-	2.0
1988	2.0	4.0	-	6.0
1989	1.0	1.0	-	2.0
1990	2.0	1.0	-	3.0
1991	-	-	-	-
1992	-	1.0	-	1.0
1993	-	1.0	-	1.0
1994	2.0	-	-	2.0
1995	1.0	2.0	-	3.0
1996	-	-	-	-
1997	-	-	-	-
1998	-	1.0	-	1.0
1999	-	-	-	-
2000	-	-	-	-
2001	-	1.0	-	1.0
2002	-	-	-	-
2003	-	1.0	-	1.0
2004	2.0	2.0	-	4.0
2005	-	-	0.1	0.1
2006	-	-	0.3	0.3
2007	-	1.0	0.4	1.4
2008	-	-	0.6	0.6
2009	1.0	-	0.7	1.7
2010	-	-	0.8	0.8
2011	-	1.0	1.0	2.0
2012	-	-	1.1	1.1
2013	-	-	1.3	1.3
2014	-	-	1.4	1.4
Total	18.0	32.0	7.7	57.7
Average - All				1.7
Average - Last 10 Years				1.1

Notes: (a) Provided by DWC.
(b) See Appendix A, Sheet 2.

TEXAS SUBSEQUENT INJURY FUND

DEVELOPMENT OF ESTIMATED LIB'S NOT YET AWARDED
AS OF AUGUST 31, 2014

Fiscal Year Ending:	Estimated % Unreported	Initial Estimated LIB's	Estimated Number Not Yet Awarded [(2) x (3)]
(1)	(2)	(3)	(4)
2000	0%	1.4	-
2001	0%	1.4	-
2002	0%	1.4	-
2003	0%	1.4	-
2004	0%	1.4	-
2005	10%	1.4	0.1
2006	20%	1.4	0.3
2007	30%	1.4	0.4
2008	40%	1.4	0.6
2009	50%	1.4	0.7
2010	60%	1.4	0.8
2011	70%	1.4	1.0
2012	80%	1.4	1.1
2013	90%	1.4	1.3
2014	100%	1.4	1.4
Total			7.7

Note: Columns (2) and (3) estimated based on review of historical experience and judgment.

TEXAS SUBSEQUENT INJURY FUND

REVIEW OF NEW LIB'S

Fiscal Accident Year Ending:	Date LIB's Awarded					
	9/1/02-8/31/04	9/1/04-8/31/06	9/1/06-8/31/08	9/1/08-8/31/10	9/1/10-8/31/12	9/1/12-8/31/14
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1982	-	-	-	-	-	-
1983	-	-	-	-	-	-
1984	-	-	-	-	-	-
1985	-	-	-	-	-	-
1986	-	-	-	-	-	-
1987	-	-	-	-	-	-
1988	-	-	-	-	-	-
1989	-	-	-	-	-	-
1990	-	-	-	-	-	-
1991	-	-	-	-	-	-
1992	-	-	-	-	-	-
1993	-	-	-	1	-	-
1994	-	-	-	-	-	-
1995	1	-	-	-	-	-
1996	-	-	-	-	-	-
1997	-	-	-	-	-	-
1998	1	-	-	-	-	-
1999	-	-	-	-	-	-
2000	-	-	-	-	-	-
2001	-	-	1	-	-	-
2002	-	-	-	-	-	-
2003	-	-	1	-	-	-
2004	-	1	2	1	-	-
2005	-	-	-	-	-	-
2006	-	-	-	-	-	-
2007	-	-	-	1	-	-
2008	-	-	-	-	-	-
2009	-	-	-	-	1	-
2010	-	-	-	-	-	-
2011	-	-	-	-	-	-
2012	-	-	-	-	-	-
2013	-	-	-	-	-	-
2014	-	-	-	-	-	-
Total	2	1	4	3	1	-

Source: Based on information provided by DWC.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF OUTSTANDING RESERVE FOR LIB'S
AS OF AUGUST 31, 2014**

Law	Open Awards	IBNR	Total
Number of Outstanding Claims (a)			
Old	21.0	-	21.0
New	11.0	7.7	18.7
Total	32.0	7.7	39.7
Undiscounted Reserve (b)			
Old	\$ 3,908,411	\$ -	\$ 3,908,411
New	8,958,196	10,281,904	19,240,100
Total	\$ 12,866,607	\$ 10,281,904	\$ 23,148,511
Discounted Reserve (b)			
Old	\$ 2,702,875	\$ -	\$ 2,702,875
New	5,652,559	5,629,159	11,281,718
Total	\$ 8,355,434	\$ 5,629,159	\$ 13,984,593
Amount of Discount (c)	\$ 4,511,173	\$ 4,652,745	\$ 9,163,918

Notes: (a) See Appendix A, Sheet 1.

(b) See Appendix B, Sheet 2 for Open Awards and Appendix B, Sheet 3 for IBNR.

(c) [Total Undiscounted Reserve - Total Discounted Reserve]

TEXAS SUBSEQUENT INJURY FUND
CALCULATION OF LIABILITY FOR KNOWN LIB'S USING 2001 CSO MORTALITY TABLE
AS OF AUGUST 31, 2014

ID #	Fiscal Year	Gender	Payment Period	Payments Per Year	Payment Amount		Average Weekly Payment	New Law	Age at Injury	Age at 8/31/2014	Undiscounted			Discounted		Undiscounted [(8)x52x(14)]	Discounted [(8)x52x(15)]
					Benefit	Attorney					Life Expectancy	Escalated Life Expectancy	Reserve Factor	Reserve Factor			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
002	1984	M	Four Weeks	13	\$ 633.84	\$ -	\$ 158.46	No	29	60	20.64	30.31	20.64	14.27	\$ 170,072	\$ 117,584	
004	1985	M	Week	52	187.87	-	187.87	No	27	56	23.94	37.17	23.94	15.79	233,876	154,256	
006	1988	M	Week	52	231.00	-	231.00	No	28	54	25.65	40.99	25.65	16.53	308,108	198,558	
008	1987	M	Week	52	224.00	-	224.00	No	21	48	30.97	54.17	30.97	18.58	360,739	216,420	
009	1983	M	Week	52	182.00	-	182.00	No	59	91	3.57	3.86	3.57	3.29	33,786	31,137	
010	1988	F	Week	52	173.25	57.75	231.00	No	42	68	17.86	25.04	17.86	12.85	214,534	154,354	
011	1983	M	Week	52	182.00	-	182.00	No	61	93	3.15	3.37	3.15	2.93	29,812	27,730	
013	1984	M	Four Weeks	13	756.00	-	189.00	No	21	52	27.40	45.10	27.40	17.24	269,287	169,435	
015	1986	M	Week	52	159.18	57.82	217.00	No	33	62	19.06	27.24	19.06	13.48	215,073	152,108	
017	1990	M	Week	52	178.50	59.50	238.00	No	44	68	14.68	19.44	14.68	11.10	181,680	137,374	
018	1986	M	Week	52	138.46	-	138.46	No	21	50	29.18	49.50	29.18	17.93	210,094	129,095	
019	1986	M	Week	52	217.00	-	217.00	No	36	64	17.54	24.42	17.54	12.69	197,921	143,194	
020	1986	M	Week	52	217.00	-	217.00	No	44	73	11.39	14.23	11.39	9.08	128,525	102,459	
024	1983	M	Week	52	153.85	-	153.85	No	26	58	22.27	33.62	22.27	15.04	178,164	120,323	
025	1984	M	Week	52	189.00	-	189.00	No	35	66	16.08	21.83	16.08	11.90	158,034	116,953	
026	1988	F	Week	52	231.00	-	231.00	No	46	73	14.31	18.85	14.31	10.88	171,892	130,691	
027	1988	M	Week	52	231.00	-	231.00	No	39	66	16.08	21.83	16.08	11.90	193,153	142,943	
028	1989	M	Week	52	178.50	59.50	238.00	No	31	57	23.10	35.36	23.10	15.42	285,886	190,838	
029	1984	M	Four Weeks	13	615.40	-	153.85	No	29	60	20.64	30.31	20.64	14.27	165,124	114,163	
030	1983	M	Week	52	145.29	-	145.29	No	60	92	3.35	3.60	3.35	3.10	25,310	23,421	
033	1985	M	Week	52	203.00	-	203.00	No	35	65	16.80	23.10	16.80	12.30	177,341	129,839	
001	2004	M	Week	52	\$ 472.45	\$ -	\$ 472.45	Yes	44	55	24.79	39.04	39.04	23.19	959,111	569,718	
003	1992	M	Week	52	537.54	-	537.54	Yes	51	73	11.39	14.23	14.23	11.01	397,758	307,752	
005	1993	M	Week	52	490.56	-	490.56	Yes	27	48	30.97	54.17	54.17	28.57	1,381,829	728,796	
007	2004	M	Month	12	2,945.95	-	679.83	Yes	51	61	19.85	28.75	28.75	18.79	1,016,346	664,248	
012	2011	M	Week	52	330.06	-	311.24	Yes	51	54	25.65	40.99	40.99	23.95	663,402	387,618	
014	1995	M	Week	52	363.58	-	363.58	Yes	61	81	7.01	8.11	8.11	6.86	153,329	129,696	
016	1998	M	Month	12	1,836.18	-	423.73	Yes	33	49	30.07	51.80	51.80	27.80	1,141,359	612,544	
022	2001	M	Week	52	687.07	-	687.07	Yes	46	59	21.45	31.94	31.94	20.23	1,141,141	722,770	
023	2003	M	Week	52	732.69	-	732.69	Yes	61	73	11.39	14.23	14.23	11.01	542,161	419,480	
031	2007	M	Week	52	655.52	-	655.52	Yes	60	67	15.37	20.61	20.61	14.71	702,534	501,420	
032	1995	F	Week	52	780.15	-	780.15	Yes	52	71	15.69	21.18	21.18	15.00	859,226	608,517	
Average - Old Law							\$ 197.99		37	66	17.98				\$ 186,115	\$ 128,708	
Average - New Law							\$ 557.67		49	63	19.42				\$ 814,381	\$ 513,869	
Subtotal - Old Law															\$ 3,908,411	\$ 2,702,875	
Subtotal - New Law															\$ 8,958,196	\$ 5,652,559	
Grand Total															\$ 12,866,607	\$ 8,355,434	

Estimated For IBNR

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TEXAS SUBSEQUENT INJURY FUND
CALCULATION OF LIABILITY FOR IBNR LIB'S CLAIMS
AS OF AUGUST 31, 2014

Fiscal Year	State Average Wage (a)	Estimated Average Nominal Weekly LIB Payment (b)	Time To 8/31/14 (4)	Average Time From 8/31/2014 To Award (c)	Time For Escalation [(4)+(5)] (6)	Escalation Factor (d) (7)	Discount Factor (e) (8)	Average Age At Award (f) (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2000	\$ 531	\$ 372	14.0	-	14.0	1.513	1.000	63
2001	533	373	13.0	-	13.0	1.469	1.000	62
2002	536	375	12.0	-	12.0	1.426	1.000	61
2003	536	375	11.0	-	11.0	1.384	1.000	60
2004	537	376	10.0	-	10.0	1.344	1.000	59
2007	539	377	9.0	0.50	9.5	1.324	0.983	59
2008	540	378	8.0	1.00	9.0	1.305	0.966	58
2009	674	472	7.0	1.50	8.5	1.286	0.950	58
2010	712	498	6.0	2.00	8.0	1.267	0.934	57
2009	750	525	5.0	2.50	7.5	1.248	0.918	57
2010	773	541	4.0	3.00	7.0	1.230	0.902	56
2011	766	536	3.0	3.50	6.5	1.212	0.887	56
2012	787	551	2.0	4.00	6.0	1.194	0.871	55
2013	818	573	1.0	4.50	5.5	1.177	0.857	55
2014	850	595	-	5.00	5.0	1.159	0.842	54

Fiscal Year	Life Expectancy At Award (g) (10)	Reserve Factor At Award (g) (11)		Cost per Case (h) (13)		Estimated IBNR Count (i) (15)	Indicated Reserve (16)	
		Undiscounted (11)	Discounted (12)	Undiscounted [(11)x(3)x(7)x52+50K] (13)	Discounted [(12)x(3)x(7)x(8)x52+50K] (14)		Undiscounted [(13) x (15)] (16)	Discounted [(14) x (15)] (17)
2000	18.29	25.80	17.38	\$ 805,101	\$ 558,669	-	-	-
2001	19.06	27.24	18.08	826,142	565,148	-	-	-
2002	19.85	28.75	18.79	849,451	572,494	-	-	-
2003	20.64	30.31	19.51	868,006	576,536	-	-	-
2004	21.45	31.94	20.23	889,316	581,602	-	-	-
2007	21.45	31.94	20.23	879,025	566,157	0.1	87,903	56,616
2008	22.27	33.62	20.96	912,389	569,367	0.3	273,717	170,810
2009	22.27	33.62	20.96	1,111,168	678,494	0.4	444,467	271,398
2010	23.10	35.36	21.70	1,210,170	714,991	0.6	726,102	428,995
2009	23.10	35.36	21.70	1,254,729	728,703	0.7	878,310	510,092
2010	23.94	37.17	22.44	1,336,170	750,382	0.8	1,068,936	600,306
2011	23.94	37.17	22.44	1,305,635	722,384	1.0	1,305,635	722,384
2012	24.79	39.04	23.19	1,385,577	741,000	1.1	1,524,135	815,100
2013	24.79	39.04	23.19	1,419,129	746,973	1.3	1,844,868	971,065
2014	25.65	40.99	23.95	1,519,879	773,138	1.4	2,127,831	1,082,393
Total						7.7	\$ 10,281,904	\$ 5,629,159
Average:							\$ 1,335,312	\$ 731,060

- Notes: (a) Provided by DWC (and from TDI website).
 (b) Estimated as 70% of average weekly wage.
 (c) Based on judgment.
 (d) Reflects 3% escalation from date of injury based on time period in (6).
 (e) Reflects present value adjustment at 3.5% interest rate based on time period in (5).
 (f) Assumes average age at injury is 49 based on Sheet 2.
 (g) Based on 2001 CSO Mortality and 3% benefit escalation.
 (h) Calculations assume that award will include immediate \$50,000 for accrued benefits.
 (i) See Appendix A, Sheet 2.

TEXAS SUBSEQUENT INJURY FUND

**SUMMARY OF OUTSTANDING RESERVE FOR LONG TERM MULTI-EMPLOYMENT CLAIMS
AS OF AUGUST 31, 2014**

	<u>Open Awards</u>	<u>IBNR</u>	<u>Total</u>
	Number of Outstanding Claims (a)		
Total	22	3	25
	Undiscounted Reserve (b)		
Total	\$ 23,728,264	\$ 3,793,608	\$ 27,521,872
	Discounted Reserve (b)		
Total	\$ 13,110,152	\$ 2,065,752	\$ 15,175,904
Amount of Discount (c)	\$ 10,618,112	\$ 1,727,856	\$ 12,345,968

- Notes: (a) Open awards based on Appendix C, Sheet 3. IBNR estimated based Sheet 4.
 (b) See Appendix C, Sheet 3 for Open Awards. IBNR based on average severity from Appendix C, Sheet 2.
 (c) [Total Undiscounted Reserve - Total Discounted Reserve]

TEXAS SUBSEQUENT INJURY FUND

**DEVELOPMENT OF AVERAGE CLAIM SEVERITY FOR LONG-TERM
MULTI-EMPLOYMENT CLAIMS
AS OF AUGUST 31, 2014**

(1)	Estimated Average Age of Beneficiary At Time of Injury (a)	48
(2)	Undiscounted Reserve Factor - w/o Escalation (b)	34.51
(3)	Undiscounted Reserve Factor- With Escalation (b)	64.63
(4)	Undiscounted Reserve Factor - Selected [80% x (2) + 20% x (3)] (c)	40.53
(5)	Discounted Reserve Factor - w/o Escalation (b)	19.70
(6)	Discounted Reserve Factor- With Escalation (b)	31.57
(7)	Discounted Reserve Factor - Selected [80% x (2) + 20% x (3)] (c)	22.07
(8)	Estimated Average Annual Payment (a)	\$ 31,200
(9)	Average Claim Severity - Undiscounted [(4) x (8)]	\$ 1,264,536
(10)	Average Claim Severity - Discounted [(7) x (8)]	\$ 688,584

Notes: (a) See Appendix C, Sheet 3.

(b) Based on CSO 2001 mortality table (Female).

(c) Assumes 20% of payments attributed to LIBS and 80% to death benefits, based on historical claims experience.

TEXAS SUBSEQUENT INJURY FUND
CALCULATION OF LIABILITY FOR REPORTED LONG-TERM MULTI-EMPLOYMENT CLAIMS USING 2001 CSO MORTALITY TABLE
AS OF AUGUST 31, 2014

ID #	Beneficiary	Injury Year	Gender	Weekly Amount	Annual Amount	Benefit Escalated	Primary Beneficiary		Benefit Expectancy	Reserve Factor		Undiscounted [(6)x(11)]	Discounted [(6)x(12)]
							Age at Injury	Age at 8/31/2014		Undiscounted	Discounted		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
MELIB001	LIB	2014	M	\$ 723	\$ 37,699	Yes	51	52	27.40	45.10	25.48	\$ 1,700,225	\$ 960,571
MELIB002	LIB	2008	M	701.34	36,570	Yes	38	45	33.69	61.76	30.89	2,258,563	1,129,647
ME001	Dependent Parent	2011	F	491.01	25,603	Yes	69	72	14.99	19.99	14.36	511,804	367,659
Average				\$ 638	\$ 33,291		53	56	25.36				
ME002	Widow+2 Children	2013	F	\$ 787	\$ 41,036	No	42	44	38.54	38.54	20.89	\$ 1,581,527	\$ 857,242
ME003	Widow	2010	F	160.83	8,386	No	53	57	26.57	26.57	16.84	222,816	141,220
ME004	Widow	2012	F	766.00	39,941	No	59	62	22.47	22.47	15.10	897,474	603,109
ME005	Widow + Child	2003	F	88.62	4,621	No	36	48	34.78	34.78	19.71	160,718	91,080
ME006	Widow	2009	F	750.00	39,107	No	56	61	23.27	23.27	15.46	910,020	604,594
ME007	Widow + 3 Children	2009	F	605.00	31,546	No	34	40	42.14	42.14	21.78	1,329,348	687,072
ME008	Widow	2009	F	Closed	Closed	No	56	61	Closed	Closed	Closed	-	-
ME009	Widow + 2 Children	2013	F	818.00	42,653	No	41	43	39.98	39.98	21.32	1,705,267	909,362
ME010	Widow + 3 Children	2013	F	709.98	37,020	No	36	37	45.46	45.46	22.62	1,682,929	837,392
ME011	Non-dependent parent	2013	F	214.12	11,165	No	63	65	20.12	20.12	14.00	224,640	156,310
ME012	Widow	2013	F	530.38	27,656	No	52	53	30.01	30.01	18.16	829,957	502,233
ME013	Widow + Child	2013	F	772.74	40,293	No	34	35	47.03	47.03	22.88	1,894,980	921,904
ME014	Non-dependent Parent	2013	F	605.15	31,554	No	63	65	20.12	20.12	14.00	634,866	441,756
ME015	Widow + Child	2013	F	650.39	33,913	No	33	34	48.14	48.14	23.07	1,632,572	782,373
ME016	Widow	2013	F	673.04	35,094	No	58	59	24.90	24.90	16.16	873,841	567,119
ME017	Widow	2013	F	818.00	42,653	No	47	49	33.60	33.60	19.40	1,433,141	827,468
ME018	Widower	2013	M	262.94	13,710	No	53	56	23.94	23.94	15.79	328,217	216,481
ME019	Child	2011	M	626.64	32,675	No	16	19	58.17	58.17	24.97	1,900,705	815,895
ME020	Widower + Child	2014	M	609.41	31,776	No	57	58	22.34	22.34	15.03	709,876	477,593
ME021	Non-dependent Parent	2013	F	290.51	15,148	No	63	65	20.12	20.12	14.00	304,778	212,072
Average				\$ 565	\$ 29,471		48	51	32.72				
LIB- Subtotal				\$ 1,915	\$ 99,872							\$ 4,470,592	\$ 2,457,877
Survivors - Subtotal				10,739	559,947							19,257,672	10,652,275
Grand Total				\$ 12,654	\$ 659,819							\$ 23,728,264	\$ 13,110,152
Selected For IBNR Claims				\$ 600	\$ 31,200		48						

Note: Based on multiple employment claim data provided by DWC.
The liability for widows is calculated assuming they will not remarry.
The benefit expectancy is calculated as the life expectancy of the primary beneficiary. In cases involving a widow(er) and dependent children it is assumed that benefits will be paid until the child is 25 (no mortality)

TEXAS SUBSEQUENT INJURY FUND
 SUMMARY OF CLAIM COUNTS FOR LONG TERM MULTI-EMPLOYMENT CLAIMS

Injury Year	Reported (a)	IBNR (b)	Total [(2) + (3)]
(1)	(2)	(3)	(4)
2003	1	-	1
2004	-	-	-
2005	-	-	-
2006	-	-	-
2007	-	-	-
2008	1	-	1
2009	3	-	3
2010	1	-	1
2011	2	-	2
2012	1	-	1
2013	12	1	13
2014	2	2	4
	23	3	26

Notes:

- (a) Based on multi-employer claims data provided by DWC.
- (b) Estimated based on judgment and review of historical experience.

TEXAS WORKERS COMPENSATION COMMISSION
2001 COMMISSIONERS STANDARD ORDINARY MORTALITY TABLE

USED FOR RESERVING UNDER OLD LAW

Age	Male Mortality Per 1000	Male Expectancy Years	Female Mortality Per 1000	Female Expectancy Years	Age	Male Mortality Per 1000	Male Expectancy Years	Female Mortality Per 1000	Female Expectancy Years
0	0.97	76.62	0.48	80.84	50	3.76	29.18	3.08	32.69
1	0.56	75.69	0.35	79.88	51	4.06	28.28	3.41	31.79
2	0.39	74.74	0.26	78.91	52	4.47	27.40	3.79	30.90
3	0.27	73.76	0.20	77.93	53	4.93	26.52	4.20	30.01
4	0.21	72.78	0.19	76.95	54	5.50	25.65	4.63	29.14
5	0.21	71.80	0.18	75.96	55	6.17	24.79	5.10	28.27
6	0.22	70.81	0.18	74.97	56	6.88	23.94	5.63	27.41
7	0.22	69.83	0.21	73.99	57	7.64	23.10	6.19	26.57
8	0.22	68.84	0.21	73.00	58	8.27	22.27	6.80	25.73
9	0.23	67.86	0.21	72.02	59	8.99	21.45	7.39	24.90
10	0.23	66.88	0.22	71.03	60	9.86	20.64	8.01	24.08
11	0.27	65.89	0.23	70.05	61	10.94	19.85	8.68	23.27
12	0.33	64.91	0.27	69.07	62	12.25	19.06	9.39	22.47
13	0.39	63.93	0.30	68.08	63	13.71	18.29	10.14	21.68
14	0.47	62.95	0.33	67.10	64	15.24	17.54	10.96	20.90
15	0.61	61.98	0.35	66.13	65	16.85	16.80	11.85	20.12
16	0.74	61.02	0.39	65.15	66	18.47	16.08	12.82	19.36
17	0.87	60.07	0.41	64.17	67	20.09	15.37	13.89	18.60
18	0.94	59.12	0.43	63.20	68	21.85	14.68	15.07	17.86
19	0.98	58.17	0.46	62.23	69	23.64	13.99	16.36	17.12
20	1.00	57.23	0.47	61.26	70	25.77	13.32	17.81	16.40
21	1.00	56.29	0.48	60.28	71	28.15	12.66	19.47	15.69
22	1.02	55.34	0.50	59.31	72	31.32	12.01	21.30	14.99
23	1.03	54.40	0.50	58.34	73	34.62	11.39	23.30	14.31
24	1.05	53.45	0.52	57.37	74	38.08	10.78	25.50	13.64
25	1.07	52.51	0.54	56.40	75	41.91	10.18	27.90	12.98
26	1.12	51.57	0.56	55.43	76	46.08	9.61	30.53	12.34
27	1.17	50.62	0.60	54.46	77	50.92	9.05	33.41	11.71
28	1.17	49.68	0.63	53.49	78	56.56	8.50	36.58	11.10
29	1.15	48.74	0.66	52.53	79	63.06	7.98	40.05	10.50
30	1.14	47.79	0.68	51.56	80	70.14	7.49	43.86	9.92
31	1.13	46.85	0.73	50.60	81	78.19	7.01	49.11	9.35
32	1.13	45.90	0.77	49.63	82	86.54	6.57	54.95	8.81
33	1.15	44.95	0.82	48.67	83	95.51	6.14	60.81	8.29
34	1.18	44.00	0.88	47.71	84	105.43	5.74	67.27	7.79
35	1.21	43.05	0.97	46.75	85	116.57	5.36	74.45	7.32
36	1.28	42.11	1.03	45.80	86	128.91	5.00	80.99	6.87
37	1.34	41.16	1.11	44.84	87	142.35	4.66	90.79	6.43
38	1.44	40.21	1.17	43.89	88	156.73	4.35	101.07	6.02
39	1.54	39.27	1.23	42.94	89	171.88	4.07	112.02	5.64
40	1.65	38.33	1.30	42.00	90	187.66	3.81	121.92	5.29
41	1.79	37.39	1.38	41.05	91	202.44	3.57	126.85	4.96
42	1.96	36.46	1.48	40.11	92	217.83	3.35	136.88	4.61
43	2.15	35.53	1.59	39.17	93	234.04	3.15	151.64	4.26
44	2.39	34.61	1.72	38.23	94	251.14	2.96	170.31	3.93
45	2.65	33.69	1.87	37.29	95	269.17	2.78	193.66	3.63
46	2.90	32.78	2.05	36.36	96	285.64	2.62	215.66	3.38
47	3.17	31.87	2.27	35.43	97	303.18	2.47	238.48	3.18
48	3.33	30.97	2.50	34.51	98	321.88	2.32	242.16	3.02
49	3.52	30.07	2.78	33.60	99	341.85	2.19	255.23	2.82

TEXAS WORKERS COMPENSATION COMMISSION
2001 COMMISSIONERS STANDARD ORDINARY MORTALITY TABLE

USED FOR RESERVING UNDER NEW LAW (3% ESCALATION)

Age	Male Mortality Per 1000	Male Escalated Factor	Female Mortality Per 1000	Female Escalated Factor	Age	Male Mortality Per 1000	Male Escalated Factor	Female Mortality Per 1000	Female Escalated Factor
0	0.97	314.75	0.48	360.96	50	3.76	49.50	3.08	59.32
1	0.56	304.91	0.35	349.65	51	4.06	47.26	3.41	56.80
2	0.39	295.22	0.26	338.61	52	4.47	45.10	3.79	54.36
3	0.27	285.77	0.20	327.86	53	4.93	43.01	4.20	52.00
4	0.21	276.55	0.19	317.41	54	5.50	40.99	4.63	49.73
5	0.21	267.58	0.18	307.25	55	6.17	39.04	5.10	47.53
6	0.22	258.87	0.18	297.38	56	6.88	37.17	5.63	45.41
7	0.22	250.41	0.21	287.80	57	7.64	35.36	6.19	43.36
8	0.22	242.20	0.21	278.51	58	8.27	33.62	6.80	41.39
9	0.23	234.23	0.21	269.48	59	8.99	31.94	7.39	39.49
10	0.23	226.49	0.22	260.72	60	9.86	30.31	8.01	37.65
11	0.27	218.97	0.23	252.21	61	10.94	28.75	8.68	35.87
12	0.33	211.68	0.27	243.95	62	12.25	27.24	9.39	34.16
13	0.39	204.61	0.30	235.94	63	13.71	25.80	10.14	32.50
14	0.47	197.76	0.33	228.16	64	15.24	24.42	10.96	30.90
15	0.61	191.12	0.35	220.62	65	16.85	23.10	11.85	29.36
16	0.74	184.69	0.39	213.30	66	18.47	21.83	12.82	27.87
17	0.87	178.47	0.41	206.19	67	20.09	20.61	13.89	26.43
18	0.94	172.45	0.43	199.30	68	21.85	19.44	15.07	25.04
19	0.98	166.62	0.46	192.61	69	23.64	18.32	16.36	23.71
20	1.00	160.95	0.47	186.11	70	25.77	17.23	17.81	22.42
21	1.00	155.45	0.48	179.80	71	28.15	16.19	19.47	21.18
22	1.02	150.10	0.50	173.68	72	31.32	15.19	21.30	19.99
23	1.03	144.91	0.50	167.73	73	34.62	14.23	23.30	18.85
24	1.05	139.86	0.52	161.96	74	38.08	13.33	25.50	17.76
25	1.07	134.96	0.54	156.35	75	41.91	12.46	27.90	16.71
26	1.12	130.20	0.56	150.91	76	46.08	11.64	30.53	15.70
27	1.17	125.57	0.60	145.63	77	50.92	10.85	33.41	14.74
28	1.17	121.09	0.63	140.50	78	56.56	10.10	36.58	13.82
29	1.15	116.73	0.66	135.52	79	63.06	9.39	40.05	12.93
30	1.14	112.49	0.68	130.69	80	70.14	8.73	43.86	12.09
31	1.13	108.36	0.73	126.00	81	78.19	8.11	49.11	11.28
32	1.13	104.35	0.77	121.45	82	86.54	7.53	54.95	10.52
33	1.15	100.46	0.82	117.03	83	95.51	6.98	60.81	9.81
34	1.18	96.67	0.88	112.74	84	105.43	6.47	67.27	9.14
35	1.21	93.00	0.97	108.58	85	116.57	6.00	74.45	8.51
36	1.28	89.43	1.03	104.55	86	128.91	5.56	80.99	7.92
37	1.34	85.96	1.11	100.64	87	142.35	5.15	90.79	7.35
38	1.44	82.60	1.17	96.85	88	156.73	4.78	101.07	6.83
39	1.54	79.34	1.23	93.16	89	171.88	4.44	112.02	6.35
40	1.65	76.17	1.30	89.59	90	187.66	4.14	121.92	5.91
41	1.79	73.10	1.38	86.12	91	202.44	3.86	126.85	5.50
42	1.96	70.13	1.48	82.76	92	217.83	3.60	136.88	5.07
43	2.15	67.25	1.59	79.49	93	234.04	3.37	151.64	4.65
44	2.39	64.46	1.72	76.33	94	251.14	3.15	170.31	4.27
45	2.65	61.76	1.87	73.26	95	269.17	2.95	193.66	3.92
46	2.90	59.15	2.05	70.29	96	285.64	2.77	215.66	3.64
47	3.17	56.62	2.27	67.41	97	303.18	2.60	238.48	3.40
48	3.33	54.17	2.50	64.63	98	321.88	2.44	242.16	3.21
49	3.52	51.80	2.78	61.93	99	341.85	2.29	255.23	2.99