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AUDITOR

The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

DIVISION OF LOCAL MANDATES

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**A REVIEW OF MANDATORY PARTICIPATION
BY PUBLIC EMPLOYERS IN THE WORKERS' COMPENSATION TRUST FUND
PURSUANT TO GENERAL LAW CHAPTER 152, SECTION 65**

JUNE 1991



The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

STATE HOUSE, BOSTON 02133

A JOSEPH DENUCCI
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June 25, 1991

His Excellency William F. Weld, Governor
The Honorable William M. Bulger, President of the Senate
The Honorable Charles F. Flaherty, Speaker of the House of Representatives
The Honorable Lois G. Pines, Chair of the Joint Committee on Commerce and Labor
The Honorable Suzanne M. Bump, Chair of the Joint Committee on Commerce and Labor

I am pleased to submit this review of the fiscal impact of the Commonwealth's Workers' Compensation law (G.L. c. 152) on certain municipal employers. This study was undertaken in accordance with Chapter 126 of the Acts of 1984, which directs the State Auditor's Division of Local Mandates to periodically review state laws or regulations that have a significant financial impact on cities and towns.

The 1985 amendments to the Workers' Compensation Act have had a significant and inequitable financial impact on municipalities throughout the state. My report documents that assessments paid by certain cities and towns into the Workers' Compensation Trust Fund have increased 1,200% in five years. Moreover, of the 271 Public Employers included in our analysis, 258 receive little or no benefit. The \$8.7 million paid by the effected public employers over the five-year period has been disbursed virtually to the exclusive benefit of 13 communities.

For these and other reasons explained in my report, I respectfully recommend that you consider amending the law to make participation in the Workers' Compensation Trust Fund local option. Such action would provide significant savings to all but a few of the cities and towns currently required to participate. This is an important legislative opportunity to relieve many communities of these dramatically increasing costs at a time when the financial stability of local government is in question.

If you have questions or wish additional information regarding this report, please contact me or Deputy Auditor Kenneth A. Marchurs at 727-0980. I look forward to continuing to work with you on this and other matters affecting the fiscal condition of state and local government.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Joseph DeNucci".

A. JOSEPH DENUCCI
Auditor of the Commonwealth

AJD:dm

INTRODUCTION & SUMMARY

The Office of the State Auditor, Division of Local Mandates (DLM), has received numerous complaints from cities and towns concerning the dramatically increasing assessments required to support the Workers' Compensation Public Employer Trust Fund, which was created by Chapter 572 of the Acts of 1985. Municipalities also assert that the mandatory assessment on all public sector employers is inequitable. For example, municipal employers contend that cities and towns with workplace safety and other loss prevention programs are subsidizing employers who do not, through trust fund assessments. Furthermore, during the past five years it appears that the Trust Fund system has provided a disincentive to prudent claims management options, such as lump sum settlements and return to work programs for certain public sector employers.

In response to these concerns, and under authority granted by St. 1984, c. 126, DLM conducted an analysis of trust fund assessments and disbursements which is detailed in this report. Our analysis indicates that the vast majority of cities and towns pay assessments into the Trust Fund but take nothing out in reimbursement, while a small minority of public employers are reimbursed many times the assessment they pay in each year. The major findings of this analysis which covers fiscal years 1987-1991 are summarized below:

- o Total annual public sector assessments have increased from \$524,005 in FY 1987 to \$4,811,038 in FY 1991, an increase of 818%.
- o Annual assessments for the 58 self-insured cities and towns have increased 1,200% in five years (FY 1987 - FY 1991).
- o Of the 271 self-insured municipalities and group self-insured public entities, 254 receive little or no benefit from the trust fund assessments they pay.
- o Thirteen self-insured cities and towns have taken \$3.24 from the trust fund for every dollar they have paid.*
- o These thirteen self-insured municipalities have been paid 89% of all cost of living adjustments (COLAs)

reimbursed from the public employer trust fund.* COLAs are supplemental benefits authorized by G.L. c.152, s.34B.

- o Although the trust fund was established for several purposes, 100% of public sector assessments through FY 1990 have been used for COLAs.
- o The Commonwealth, as a public sector employer, has dropped out of the trust fund system. The Public Employee Retirement Administration (PERA), as Workers' Compensation Agent for the Commonwealth, has made only one assessment payment (FY 1989).
- o On a per capita work force basis, we estimate public sector COLA claims to be 3 times greater than private sector COLA claims.

Our analysis confirms that the trust fund system of reimbursing COLAs creates inequities among cities and towns. It also indicates that mandatory participation provides a disincentive to claims management practices which could help control workers' compensation costs for certain public sector employers.

Therefore, DLM recommends that section 65 of G.L. c.152 be amended to provide for optional participation in the Workers' Compensation Trust Fund for public sector employers and for self-insurance groups representing political subdivisions of the Commonwealth.

Approval of an amendment to make participation in the Workers' Compensation Trust Fund a local option would result in significant savings to all but a few cities and towns. Those cities and towns opting to remain as participants in the Trust Fund will continue to pool their resources and will collectively pay their share of section 65 COLA expenses.

HISTORY AND PURPOSE OF THE SECTION 65 TRUST FUND

In response to a public perception that major changes were necessary, the Massachusetts Workers' Compensation Law, Chapter 152 of the General Laws, was extensively amended by Chapter 572 of the Acts of 1985. The primary purpose of Chapter 572 was to improve the administrative responsiveness of the industrial accident claims process, and to improve benefits for injured workers.

* includes FY 1991 estimates

Underfunding of the Industrial Accidents Division was seen as the major cause of delays in processing claims. This created hardships for both injured workers and employers alike. To address this problem, Chapter 572 amended G.L. 152, s.65 by establishing the Workers' Compensation Special Fund. The purpose of the fund is to provide for a revenue stream to be dedicated to the operating expenses of the Department of Industrial Accidents (DIA)*. The Special Fund is supported by an assessment on the workers' compensation insurance premiums of private sector employers only. Prior to Chapter 572, the section 65 trust fund was a small fund used to reimburse employers for compensation paid to disabled war veterans, for compensation paid as a result of second injury claims, and for certain administrative expenses.

Chapter 572, in addition to establishing the Special Fund, created a separate Workers' Compensation Trust Fund. This fund was intended to reimburse employers for seven types of benefits, five of which were added by Chapter 572. Revenue for this trust fund is also generated by an assessment on employers. However, there are different assessment calculations for private employers and public employers (the Commonwealth and its political subdivisions). Each year the DIA's actuary estimates the level of funding required to make payments from the Trust Fund. This budget is further segregated into a "private employer trust fund budget" and a "public employer trust fund budget" based on DIA's projection of expected claims against each. Financial records of assessments and claims against both trust fund budgets are kept separately.

The DIA sets one Workers' Compensation Trust Fund assessment rate for all public employers based on the public sector trust fund budget. The assessment rate is part of a formula which results in different assessments for insured employers, self-insured employers, and self-insurance groups. Self-insured public employers and public self-insurance groups are billed by DIA. Insured public employers, those which pay workers' compensation premiums, are billed by their insurance carriers. The assessments are collected by DIA quarterly, paid to the State Treasurer, and deposited in the trust fund. The employer, self-insurance group, or insurance carrier pays section 65 compensation to the injured party and requests reimbursement from the trust fund each quarter.

* St. 1985, c.572 created a separate Department of Industrial Accidents which had formerly been a division of the Department of Labor and Industries.

Regardless of the type of employer, the new Section 65 Workers' Compensation Trust Fund is intended to be used to pay the following types of compensation:

1. cost of living adjustments to compensation (COLA)*
2. adjustments of compensation for latent injuries*
3. reimbursements for second injury claims
4. rehabilitation compensation*
5. approved claims against uninsured employers* **
6. approved claims against injuries caused by a fellow worker*
7. compensation payable to disabled war veterans

Prior to 1985, Chapter 152 did not provide for cost of living adjustment of benefits paid to claimants with permanent disabilities or for surviving dependents receiving death benefits. The new trust fund also provided a pooled source of revenue to reimburse employers for the cost of rehabilitating injured workers, and for compensation paid as a result of injuries caused by a fellow worker. In addition, the 1985 legislation provided that employees receiving approval of claims against uninsured employers should be paid weekly compensation out of the Trust Fund. Prior to Chapter 572, claims against uninsured employers were settled in court. DLM's review of trust fund disbursements reveals that virtually all public employer Trust Fund reimbursements were for adjustments to compensation under section 34B, (COLAs). Therefore our review will focus on COLA expenditures.

The following analysis is based on limited assessment and collection data, obtained from the DIA, for 58 self-insured municipalities (32 cities and 26 towns); the Massachusetts Interlocal Insurance Association (MIIA), the public self-insurance group which represents 213 public employers (174 municipalities and 39 other public entities); and the Commonwealth of Massachusetts (PERA). Information from annual actuarial studies and annual Final Reports, prepared by the Massachusetts Workers' Compensation Advisory Council, was also applied. The limited availability of reliable data restricted the detail and scope of our analysis.

ASSESSMENT RATES

An employer's trust fund assessment is basically the amount of Workers' Compensation premium multiplied by the

* New trust fund payments authorized by c.572

** No public employer shall be considered to be uninsured. See 452 CMR 3.00.

assessment rate. For self-insurers the rate is applied against "imputed" premium which is an estimate of the cost of a hypothetical insurance policy, if a self-insured employer were to purchase workers' compensation insurance. Assessment rates are calculated annually for the public sector and the private sector. Private actuaries, consulted by DIA, establish the rates in accordance with a statutory formula (See G.L. c.152, s.65).

The public sector trust fund assessment rate rose from .01620 in FY 1987 to .09173 in FY 1991, an increase of 466% for the period. The rate increased steadily from FY 1987, peaked in FY 1990, and decreased in FY 1991. See Attachment 1.

According to annual actuarial analysis and findings, the cause of the assessment rate activity includes:

- o annual budget deficits;
- o increases in COLA claims;
- o retroactive COLA reimbursement requests;
- o inefficient claims management by self-insured employers.

In contrast to the public sector, the .03629 private sector trust fund assessment rate in FY 1991 is lower than the FY 1987 rate of .03730. There was a sharp decline in FY 1989 through FY 1990, followed by an increase in FY 1991, which returned the private sector rate to about the FY 1987 level. See Attachment 1.

According to annual actuarial analysis and findings, the cause of the assessment rate activity includes:

- o expected annual budget surplus;
- o decrease in COLA claims;
- o significant growth in assessment base.

ASSESSMENTS AND COLLECTIONS

Annual assessments are calculated by applying the year's assessment rate to algorithms established for each insurer type: self insured; insured; and group self-insured. (See G.L. c.152, s.65.) For self-insured cities and towns the assessment increased by 1,200% from FY 1987 to FY 1991. Total self-insured municipal, MIIA group, and Commonwealth of Massachusetts assessments increased from \$524,005 in FY 1987 to \$4,811,038 in FY 1991, 818%, for a cumulative total of \$12,049,515 for the period. See Attachment 2. However, we estimate that \$8,677,205 of this total has been collected.

Four municipalities did not pay any assessments and six municipalities did not pay total assessments. The Commonwealth of Massachusetts, the largest public sector employer, has paid its assessment for only one year. Attachment 2 includes only the single annual payment of \$485,132 made by the Commonwealth during FY 1989.

DIA data indicates that 85% of all trust fund reimbursements have been paid to self-insured municipalities. The rest has been reimbursed to counties, districts, and other political subdivisions. A comparison of FY 1987 and FY 1990 collections indicates that self-insured contributions have greatly increased as a percent of total assessments collected, while the MIIA group, insured municipalities, and other public entity collections have decreased significantly. Self-insured cities and towns pay a larger relative share than self-insurance groups and insured employers because the assessment formula reflects past claims against the trust fund. MIIA has yet to claim any reimbursement from the fund. DIA could not provide data for cities and towns which purchase workers' compensation insurance because it admits that they are probably being served by the private sector trust fund.

PERA has requested \$3.27 million in COLA reimbursements, but will not be paid by the fund unless all assessments are paid. If PERA pays overdue assessments for FY 1987, 1988, and 1990 totalling \$1,524,970 it will become eligible for \$3.27 million in reimbursement from the trust fund. This transaction would create a serious imbalance in the fund.

COLA BENEFITS HIGHER IN PUBLIC SECTOR

An actuarial assumption on which the early assessment rates were based was that the proportion of public sector and private sector trust fund budgets dedicated to paying cost of living adjustments to disability claimants would be comparable. This assumption was based on the premise that the incidence of claims subject to COLA also would be comparable for both public and private sector employers. Both the assumption and its premise proved to be inaccurate. Our analysis found that since the first assessment in FY 1987 under the new trust fund, the entire public employer trust fund budget has been used to pay for COLA. In contrast, 38% of private sector assessments have been dedicated to COLA.

A comparison of public and private COLA reimbursements to the relative size of public and private employment indicates that even though the private sector work force is eight times larger than the public sector work force, subject to section 65, the private sector's COLA reimbursements are only 2.65 times

greater than the public sector's COLA reimbursements. DLM's analysis reveals that on a per-employee basis public sector COLA reimbursements, including PERA's requests, are three times greater than private sector reimbursements.

LUMP SUM SETTLEMENTS

The practice of settling compensation claims with lump sum payments is more widespread in the private sector than in the self-insured public sector. To a large degree this explains the proportional disparity between COLA spending within the public employer and private employer trust fund budgets. Insurance companies representing private sector employers (and many cities and towns) try to "lump sum" compensation claims before they become subject to cost of living adjustment. Another factor is that COLA payments to private sector employees are more often offset to the extent that they would reduce federal social security benefits.

The Commonwealth and approximately 27 self-insured cities and towns are responsible for almost all public sector requests for COLA reimbursements from the trust fund. The expense of COLAs for these few employers is "socialized" by all public sector employers. The Commonwealth and cities and towns are authorized (See G.L. c.40, s.13A) to maintain reserves to pay workers compensation premiums, or to "lump sum" workers' compensation claims as insurance companies do. Many public employers do so and are able to offer lump sum compensation settlements to injured employees rather than weekly compensation. The following example shows the financial benefit, to both the employer and the trust fund, of negotiating a lump sum settlement compared to paying weekly compensation. It should be noted that all lump sum agreements must be approved by the DIA Reviewing Board. Agreements which are not shown to be in the best interest of the injured employee are rejected by the Board.

Assume that a hypothetical municipal employee was injured in 1980 and awarded weekly permanent disability benefits equal to the average weekly wage in 1980 of \$245 from a self-insured city or town. Chapter 152, section 34B provides that beginning in 1987 the employer must adjust these benefits each year based on the current average weekly wage. The cost of living adjustment portion of benefits paid by the municipality is reimbursed through the Public Employer Trust Fund. Attachment 3 shows the impact of this single claim on the section 65 public trust fund.

Between 1980 and 1986 the injured municipal worker

received the 1980 average weekly wage of \$245 per week, or \$12,740 per year. The adjustment provided for by section 34B brought this compensation up to \$21,372 per year in 1987. The difference of \$8,632 between 1980 and 1987 benefits is reimbursed to the public sector employer through the trust fund. Over the period 1987 through 1990 trust fund COLA reimbursements equal \$44,616. The employer is directly responsible for the 1980 base benefits totalling \$50,960.

Under the current trust fund system, from 1991 through the year 2000, the estimated total compensation benefit will be \$370,000 (assumes a 6% annual increase in average weekly wage). The city or town will pay only \$127,400 of this amount; the rest, \$242,600, will be assessed on all public employers through the trust fund.

The inequity of paying out of a trust fund is that public employers that have established lump sum reserves, and have in other ways managed to avoid the need to pay COLAs, are subsidizing the COLA reimbursements of employers who do not make this effort.

COST-BENEFIT OF TRUST FUND SYSTEM

As part of our analysis DLM created a database from trust fund assessments and disbursements data provided by DIA. The database represents an annual average of 271 public employers. This includes approximately 58 self-insuring municipalities and approximately 213 public employers which are members of the Massachusetts Interlocal Insurance Association self-insurance group. The relative size of the self-insured and group categories varies slightly from year to year because cities and towns occasionally move between the two categories.

For employers, the assessment paid into the section 65 trust fund is the cost, and the reimbursement received equals the benefit. Cities and towns that do not have claims subject to COLA (or other section 65 benefits) claim no benefit but must pay the assessment. Other cities and towns have taken from the trust fund many times in reimbursement what they paid in assessments. Attachment 4 shows the following:

- 1) That 13 municipal employers representing 5% of the database received 89% of the reimbursement for COLA since the trust fund was established. Over the period these 13 self-insured cities and towns took from the trust fund \$3.24 for each dollar they paid in assessments.

2) Fourteen self-insured employers, representing 5% of municipal employers, take out twenty seven cents in reimbursement for each dollar of assessment paid.

3) Of the participating 271 public employers 89% receive no COLA benefit reimbursement from the trust fund.

4) Four municipalities (1%) did not pay their assessments.

5) There are 254 public employers subsidizing the COLA benefits of 13 cities and towns.

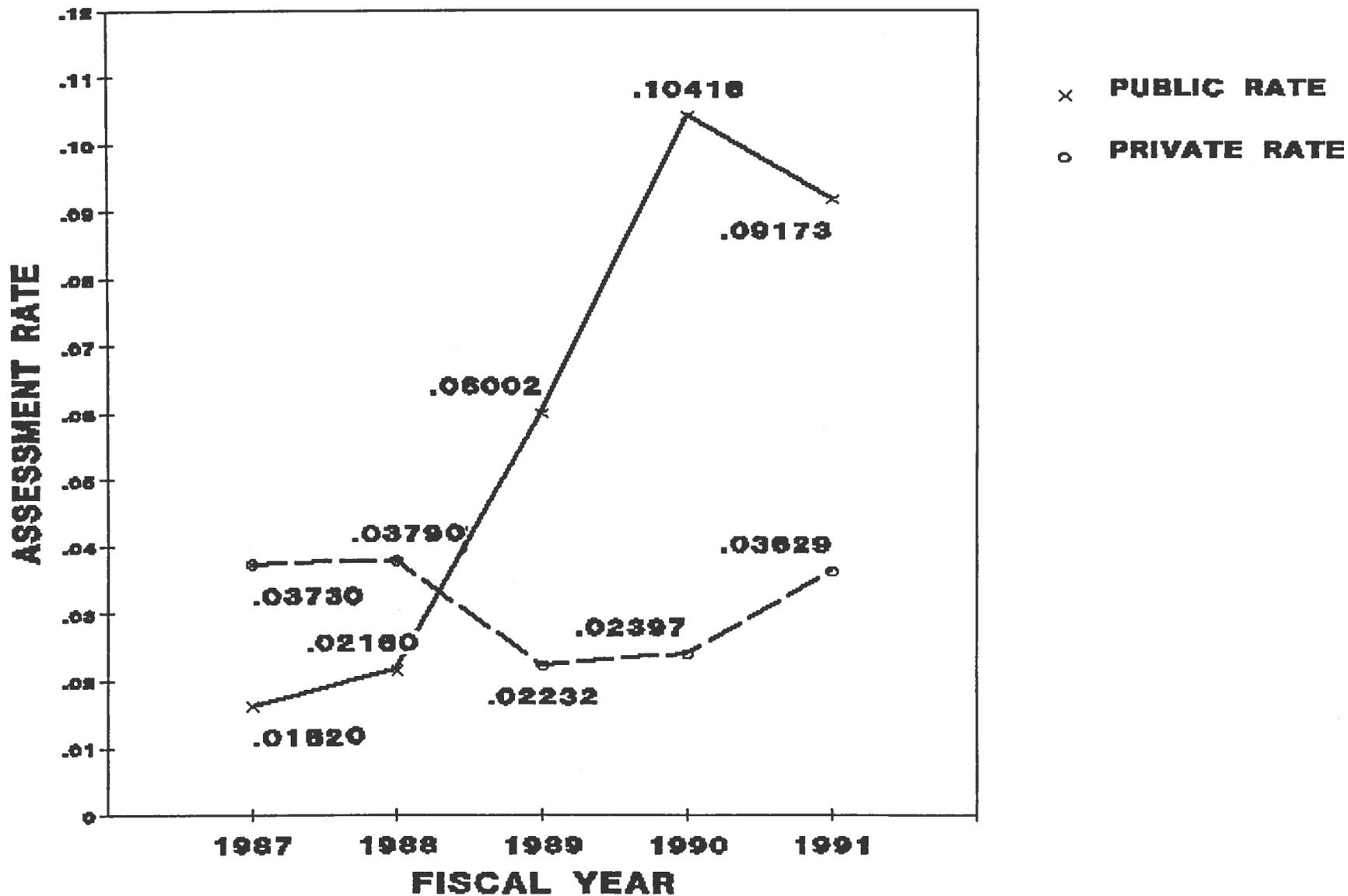
Attachment 5 is an itemized schedule of public employer assessments, collections, and COLA reimbursements. The COLAs reimbursed/assessments paid ratio clearly demonstrates that most municipalities have received little or no benefit from the Public Sector Trust Fund after five years of mandatory participation.

CONCLUSION

Due to the inequity of the public employer Workers' Compensation Trust Fund and the disincentive to prudent claims management practices it provides to certain self-insured cities and towns, the Division of Local Mandates recommends that the Legislature consider amending G.L. c.152, s.65 to allow for optional participation in the workers' compensation trust fund for public sector employers, and for self-insurance groups representing political subdivisions of the Commonwealth.

ATTACHMENT 1

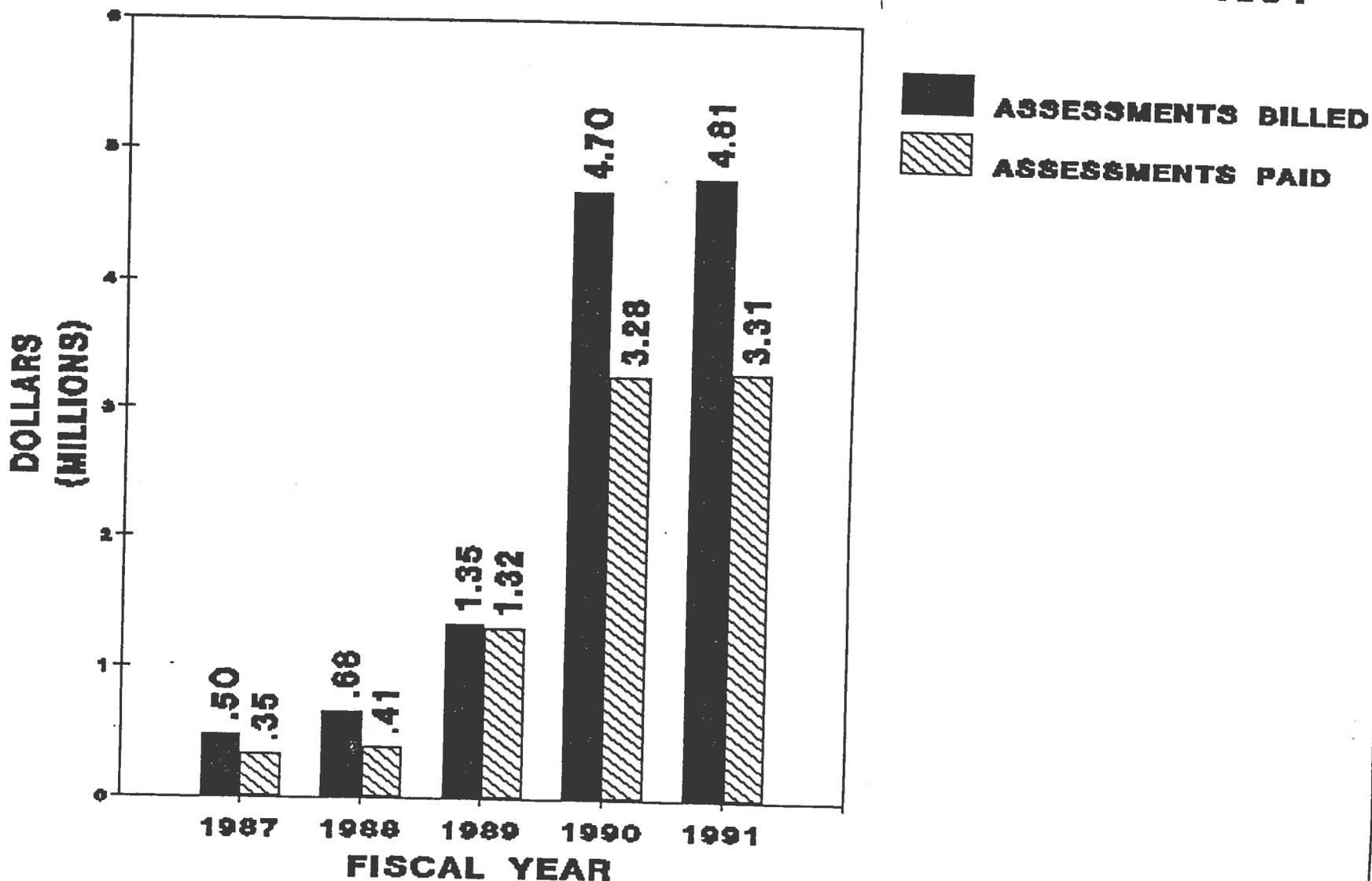
ASSESSMENT RATE TRENDS PUBLIC AND PRIVATE SECTOR FY 1987 - FY 1991



ATTACHMENT 2

ASSESSMENTS AND COLLECTIONS

(SELF-INSURED MUNICIPALITIES, MIA GROUP AND THE COMMONWEALTH OF MASSACHUSETTS) FY 1987 - FY 1991



ATTACHMENT 3

AN EXAMPLE OF THE ESTIMATED IMPACT OF COLAS ON THE PUBLIC SECTOR TRUST FUND

YEAR	AVERAGE WEEKLY WAGE	1980 AVERAGE WEEKLY WAGE	ANNUAL MUNICIPAL RESPONSIBILITY (2) x 52	WEEKLY COLA AMOUNT (1) - (2)	ANNUAL COLA REIMBURSEMENT (4) x 52	TOTAL ANNUAL BENEFIT (3) + (5)
	1	2	3	4	5	6
1987	\$411	\$245	\$12,740	\$166	\$8,632	\$21,372
1988	444	245	12,740	199	10,348	23,088
1989	474	245	12,740	229	11,908	24,648
1990	509	245	12,740	264	13,728	26,468
TOTAL			\$50,960 =====		\$44,616 =====	\$95,576 =====

ATTACHMENT 4

ANALYSIS OF TRUST FUND INEQUITY AMONG SELF-INSURED MUNICIPALITIES AND MIIA
1987-1991*

PUBLIC EMPLOYERS WHO RECEIVED MORE THAN THEIR TRUST FUND CONTRIBUTION

# SELF-INS. MUN.	% SELF-INS. MUN.+ MIIA**	ASSESSMENTS PAID	COLAS REIMBURSED	SUBSIDY	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO	% COLAS REIMBURSED
13	5%	\$2,143,400	\$6,951,714	\$4,808,314	3.24	89%

PUBLIC EMPLOYERS WHO RECEIVED LESS THAN THEIR TRUST FUND CONTRIBUTION

# SELF-INS. MUN.	% SELF-INS. MUN.+ MIIA**	ASSESSMENTS PAID	COLAS REIMBURSED	LOSS	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO	% COLAS REIMBURSED
14	5%	\$3,148,485	\$853,655	\$2,294,830	0.27	11%

PUBLIC EMPLOYERS WHO RECEIVED NOTHING FOR THEIR TRUST FUND CONTRIBUTION

# SELF-INS. MUN.+ MIIA**	% SELF-INS. MUN.+ MIIA**	ASSESSMENTS PAID	COLAS REIMBURSED	LOSS	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO	% COLAS REIMBURSED
240	89%	\$2,900,188	\$0	\$2,900,188	0.00	0%

* = PROJECTION

** = 1%, OR APPROXIMATELY 4 MUNICIPALITIES DID NOT PAY ANY ASSESSMENTS

ATTACHMENT 5

ITEMIZED SCHEDULE OF PUBLIC EMPLOYER TRUST FUND ASSESSMENTS, COLLECTIONS, AND COLA REIMBURSEMENTS

PUBLIC EMPLOYERS WHO RECEIVED MORE THAN THEIR TRUST FUND CONTRIBUTION

	TOTAL ASSESSMENTS BILLED	TOTAL ASSESSMENTS PAID	TOTAL COLAS REIMBURSED	TOTAL ASSESSMENTS PAID MINUS COLAS REIMBURSED	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO
Arlington	\$80,348	\$80,348	\$273,755	(\$193,407)	3.41
Boston	1,051,458	1,051,458	3,205,246	(2,153,788)	3.05
Brockton	189,389	33,468	183,190	(149,722)	5.47
Brookline	169,455	169,455	415,543	(246,088)	2.45
Fitchburg	60,363	60,363	480,755	(420,392)	7.96
Gloucester	43,210	43,210	87,745	(44,535)	2.03
Malden	68,027	54,026	156,610	(102,584)	2.90
Medford	94,307	14,428	57,371	(42,943)	3.98
Melrose	48,364	48,364	199,038	(150,674)	4.12
Newton	315,366	315,366	800,846	(485,480)	2.54
Peabody	144,999	144,999	255,023	(110,024)	1.76
Pittsfield	88,299	88,299	717,026	(628,727)	8.12
Revere	39,616	39,616	119,566	(79,950)	3.02
COUNT	13	13	13	13	13
SUM	\$2,393,201	\$2,143,400	\$6,951,714	(\$4,808,314)	3.24

PUBLIC EMPLOYERS WHO RECEIVED LESS THAN THEIR TRUST FUND CONTRIBUTION

	TOTAL ASSESSMENTS BILLED	TOTAL ASSESSMENTS PAID	TOTAL COLAS REIMBURSED	TOTAL ASSESSMENTS PAID MINUS COLAS REIMBURSED	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO
Framingham	\$197,421	\$197,421	\$38,856	\$158,565	0.20
Haverhill	261,608	261,608	40,907	220,701	0.16
Lowell	221,443	221,443	68,396	153,047	0.31
Lynn	154,314	59,030	16,769	42,261	0.28
Marlborough	88,304	88,304	17,296	71,008	0.20
Natick	80,931	80,931	46,823	34,108	0.58
Needham	119,980	119,980	34,540	85,440	0.29
New Bedford	353,681	353,681	29,225	324,456	0.08
Quincy	263,105	263,105	26,918	236,187	0.10
Somerville	167,101	167,101	112,733	54,368	0.67
Springfield	529,790	529,790	48,291	481,499	0.09
Winchester	192,652	192,652	37,589	155,063	0.20
Woburn	85,200	85,200	35,235	49,965	0.41
Worcester	528,239	528,239	300,077	228,162	0.57
COUNT	14	14	14	14	14
SUM	\$3,243,769	\$3,148,485	\$853,655	\$2,294,830	0.27

PUBLIC EMPLOYERS WHO RECEIVED NOTHING FOR THEIR TRUST FUND CONTRIBUTION

	TOTAL ASSESSMENTS BILLED	TOTAL ASSESSMENTS PAID	TOTAL COLAS REIMBURSED	TOTAL ASSESSMENTS PAID MINUS COLAS REIMBURSED	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO
Amherst	\$33,310	\$33,310	\$0	\$33,310	0.00
Attleboro	32,763	32,763	0	32,763	0.00
Barnstable	98,148	98,148	0	98,148	0.00
Bellingham	23,996	23,996	0	23,996	0.00
Braintree	90,708	72,038	0	72,038	0.00
Cambridge	410,366	410,366	0	410,366	0.00
Deerfield	3,851	3,851	0	3,851	0.00
Fall River	177,597	177,597	0	177,597	0.00
Franklin	37,973	37,973	0	37,973	0.00
Gosnold	151	151	0	151	0.00
Granville	10,276	10,276	0	10,276	0.00
Hingham	49,925	49,925	0	49,925	0.00
Holyoke	114,625	114,625	0	114,625	0.00
Hull	17,349	17,349	0	17,349	0.00
Lawrence	96,324	17,022	0	17,022	0.00
Lexington	89,904	89,904	0	89,904	0.00
Marblehead	75,184	75,184	0	75,184	0.00
Methuen	75,057	75,057	0	75,057	0.00
MIIA*	1,034,729	1,034,729	0	1,034,729	0.00
Norwood	56,189	56,189	0	56,189	0.00
Oak Bluffs	10,276	10,276	0	10,276	0.00
Reading	78,573	78,573	0	78,573	0.00
Salem	76,243	76,243	0	76,243	0.00
Taunton	79,631	79,631	0	79,631	0.00
Upton	2,437	2,437	0	2,437	0.00
Waltham	91,617	91,617	0	91,617	0.00
Westfield	90,823	90,823	0	90,823	0.00
Weymouth	40,135	40,135	0	40,135	0.00
COUNT**	240	240	240	240	240
SUM	\$2,998,160	\$2,900,188	\$0	\$2,900,188	0.00

NONPAYORS

	TOTAL ASSESSMENTS BILLED	TOTAL ASSESSMENTS PAID	TOTAL COLAS REIMBURSED	TOTAL ASSESSMENTS PAID MINUS COLAS REIMBURSED	COLAS REIMBURSED/ ASSESSMENTS PAID RATIO
Beverly	\$64,152	\$0	\$0	\$0	0.00
Chelsea	63,600	0	0	0	0.00
Danvers	56,189	0	0	0	0.00
Swampscott	14,638	0	0	0	0.00
COUNT	4	4	4	4	4
SUM	\$198,579	\$0	\$0	\$0	0.00

* THE MASSACHUSETTS INTERLOCAL INSURANCE ASSOCIATION - PUBLIC SELF-INSURANCE GROUP WHICH REPRESENTS 213 PUBLIC EMPLOYERS (174 MUNICIPALITIES AND 39 OTHER PUBLIC ENTITIES).

** INCLUDES 213 MIIA AND 27 SELF-INSURED MUNICIPALITIES.