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## STATE OF TENNESSEE

### Workers' Compensation Advisory Council

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## MEMORANDUM

TO: Advisory Council Members and Other Interested Parties

FROM: David Wilstermann - Statistical Analyst

SUBJECT: Correction to 2003 Annual Report

DATE: July 20, 2004

In working with Greg Alff for the preparation of his analysis of the 2004 NCCI law only loss cost filing, it became apparent that inaccurate data was reported in the 2003 Workers' Compensation Advisory Council Annual Report concerning the percentages of body part types that awards are based on. The chart for 2002 data in Figure 13: The Ten Most Frequently Occurring Permanent Disability Body Part Award Basis on page 75 should be replaced with the following:

| Body Part       | N    | Percent |
|-----------------|------|---------|
| Body as a Whole | 4099 | 43.2%   |
| Arm             | 2270 | 23.9%   |
| Leg             | 1680 | 17.7%   |
| Hand            | 407  | 4.3%    |
| Index Finger    | 182  | 1.9%    |
| Foot            | 157  | 1.7%    |
| Middle Finger   | 144  | 1.5%    |
| Thumb           | 127  | 1.3%    |
| Ring Finger     | 112  | 1.2%    |
| Little Finger   | 101  | 1.1%    |

It should be noted that the order of body parts does not change from what was reported, just the percentages associated with them.

Also, the following sentences from Page 75 should be deleted:

For cases closed in 2002, 37.9% of PPD amounts are based on the body as a whole, 22.2% on arms and 16.6% on legs. The percentage of BAW, arm and leg cases are all down in 2002 from 2000 and 2001.

and replaced with:

For cases closed in 2002, 43.2% of PPD amounts are based on the body as a whole, 23.9% on arms and 17.7% on legs. The percentage of BAW, arm and leg cases are consistent with 2000 and 2001.