

## A P P E N D I X

Terms used in Public Self-Insurer Report Forms P-1 and J-1 (§ 15203.11) and AR-2 (§ 15251(c))

---

The definitions in section 15201 of the Self-Insurance Plan regulations (Title 8, California Code of Regulations § 15201) apply to the terms used in these reporting forms. All terms shall be construed in a manner that is consistent with their usage in Division 4 (commencing with Section 3700) of the Labor Code and Chapters 1 (commencing with section 1), 4.5 (commencing with section 9700), and Subchapter 2 of Chapter 8 (commencing with section 15201) of Division 1 of Title 8 of the California Code of Regulations, including any definitive construction of a term by the Workers' Compensation Appeals Board or a court. However, if there is a conflict between a definition in section 15201 and a definition of the same terms found in another Title 8 regulation, the definition in section 15201 shall apply.

Terms that are not defined by statute or regulation should be understood as having the same meaning commonly understood and used by workers' compensation program administrators in the state of California. A good faith error or discrepancy in how reportable information is characterized for purposes of one of these reports shall not be treated as a reporting violation under Labor Code Sections 3702.3 or 3702.9.

The following additional guidance is provided for specific report terms.

**Allocated Loss Adjustment Expense** or **ALAE** means claim administration costs and expenses that are allocated to individual workers' compensation claims, including but not limited to medical cost containment expenses.

**Catastrophic claim** means a claim for workers' compensation based on a severe injury to the brain or spinal cord, loss of a limb, paralysis, severe burn or severe head injury, and includes any injury that would result in a conclusive presumption of total disability under Labor Code Section 4662(a).

**Certificated employee** has the same meaning used in the Education Code and refers to an employee in an academic, supervisory, or administrative position with a school or school

district, community college or community college district, or state university who is required to hold a credential or similar certificate as a condition of employment.

**Classified employee** has the same meaning used in the Education Code and refers to an employee of a school or school district, community college or community college district, or state university who is not a certificated employee.

**Diagnostics** refers to medically-prescribed tests used to determine a diagnosis, the cause of symptoms, the nature or severity, or course of treatment for an illness or injury. It includes but is not limited to imaging and laboratory tests.

**Full-Time Equivalent** or **FTE** refers to the ratio of the total number of paid hours for all employees, whether full or part-time, divided by the number of hours in the employer's regular full-time work week. If the employer has a regular work week of 40 hours and 10 employees working a total of 200 hours during a regular work week, the full-time equivalent or FTE would be 5. ( $200 \div 40 = 5$ ).

**Industrial Disability Leave** claims and benefits refers to salary-based payments made to public employees in lieu of workers' compensation temporary indemnity benefits pursuant to Education Code Section 45192, Education Code Section 89529.03, Government Code Section 19871, or equivalent statutes or employer policies governing compensated absences for job-related illnesses or injuries, insofar as those payments are categorized separately from other types of indemnity payments. For reporting purposes, Industrial Disability Leave claims and benefits *do not include* salary continuation benefits provided to Public Safety Employees pursuant to Articles 6 and 7 (commencing with Sections 4800 and 4850 respectively) of Chapter 2 of Part 2 of Division 4 of the Labor Code, even if designated Industrial Disability Leave by the employer. Those payments instead should be reported as Public Safety Employee claims and benefits.

**Public Safety Employee** means an employee of a fire department, police or sheriff's department, or other public protection or public safety agency who is entitled to receive salary continuation benefits in lieu of workers' compensation benefits pursuant to one or more statute within Articles 6 and 7 (commencing with Sections 4800 and 4850 respectively) of

Chapter 2 of Part 2 of Division 4 of the Labor Code. For reporting purposes, employees of the California State University Police Department who are entitled to enhanced Industrial Disability Leave benefits pursuant to Labor Code Section 4816, shall be counted as “public safety employees,” including for public safety employee payroll purposes, and their claims and benefits payments should be reported as public safety employee claims and benefits payments, even if designated by the employer as Industrial Disability Leave claims and benefits payments.

**Surgery** refers to payments made to surgeons, assistant surgeons, anesthesiologists, and other medical personnel for surgical services that are billed and paid for separately from facility costs. It does *not* include hospital and facility expenses.

**Unallocated Loss Adjustment Expense or ULAE** means claim administration costs and expenses that are not allocated to individual workers’ compensation claims.

**Volunteer** means a person who provides volunteer services for the employer and includes persons for whom the employer has elected to provide workers’ compensation coverage pursuant to Labor Code Section 3361.5, 3363.5, 3364, 3364.5, 3364.55, 3364.6, 3364.7, or equivalent statutes. The number of persons, if any, who are *neither* employees or volunteers, but for whom the employer is required to provide workers’ compensation when participating in court-ordered community service, work for relief, or similar reasons should be estimated separately and entered on the line provided for that purpose in the Profile section (Part B) of the P-1 and J-1 forms.