Cumulative Trauma and its Impact on California

FIX CA WORKERS' COMP NOW

What is Cumulative Trauma?

Cumulative trauma (CT) refers to injuries that develop gradually from repetitive stress, either mental or physical, over a period of time. A dramatic increase in the number of abusive cumulative trauma claims is severely impacting the workers' compensation system, driving up premium costs for employers and threatening the accessibility and affordability of treatment for legitimately injured workers.

Escalating Rates

Cumulative trauma claims have always been a part of the workers' compensation system, but their share of indemnity claims has risen sharply in recent years due to a lack of guardrails about when and why CT claims can be filed. The filing rate of CT claims in California and the associated cost to both public and private employers is out of control and increasing rapidly.

- CT claims accounted for nearly one out of four indemnity claims in 2024 – twice the rate of 15 years ago, according to estimates from the Workers Compensation Insurance Rating Bureau of California (WCIRB).
- California employers are facing higher premiums after an 8.7% increase by the Insurance Commissioner in 2025.

California has experienced workers' compensation instability before. In 2003, rapidly rising costs led to a major reform effort to stabilize the system and protect both workers and employers. Rising cumulative trauma claims suggest the system may again require targeted reforms to maintain long-term stability.

> Because higher insurance rates can affect businesses' ability to hire and sustain financial growth, it is important to be aware of early warning signs and respond appropriately.
>
> **– California Insurance Commissioner Ricardo Lara (July 2025)**

Misuse of System

Cumulative trauma claims are having significant cost impacts on the workers' compensation system. Recent court decisions have weakened guardrails around these claims, contributing to increased filings and higher system costs.

Contributing to these pressures is the fact that workers may report claims long after they are alleged to have occurred, sometimes years after employment has ended. Because cumulative trauma claims can result in large benefit awards, these delayed claims can have an outsized impact on overall system costs.

Factors include:

- Workers only need to show a minimum connection of their injury to employment, in some cases as little as 1%.
- There is no statute of limitations, so claims are being filed sometimes decades after employment ends.
- There is no minimum employment period requirement.
- There is no requirement that documentation exist at the time of the injury.
- Attorneys demand multiple medical evaluations and use them to secure lifetime awards and medical coverage.

CT Claims are Costly

CT claims require establishing a period of injury exposure, and they involve more complex medical and factual analysis. CT claims are estimated to cost $7 billion each year, largely attributed to legal and administrative expenses.

The Solution: Meaningful Reforms to Restore Balance

Reforms should focus on protecting employers from abusive or unverifiable claims while preserving benefits for workers who are genuinely injured on the job. Reforming our system ensures that all parties are served fairly.

Current law needs to be amended to:

- Tighten the causation standard to require a meaningful employment connection.
- Establish a reasonable filing deadline.
- Require a minimum period of employment before a CT claim can be filed.
- Require contemporaneous medical or occupational documentation.

Californians for Fair Workers' Compensation is a broad coalition of local governments and public agencies, small businesses, nonprofits and employers across California working to advance commonsense reforms to stop abuse, close legal loopholes and ensure the workers' compensation system continues to deliver benefits to injured workers.

To get in contact with the coalition, scan the QR code.