FIX CA WORKERS' COMP NOW

Californians for Fair Workers' Compensation

California's workers' compensation system is a no-fault insurance program that supports employees who are injured on the job by covering medical care and wage replacement. But in recent years, costs within the system have skyrocketed, driven largely by a surge in cumulative trauma claims, growing medical-legal expenses and abuse of the system. Loopholes in California law are being exploited, and that misuse is delaying care and diverting resources from the workers it was designed to protect.

It's time to stop the abuse, close legal loopholes and ensure the workers' compensation system continues to deliver benefits to injured workers.

Protect the System for Injured Workers

Close Loopholes & Stop Abuse

Advance Commonsense Reforms

THE ISSUE

Workers' compensation must be protected and work for Californians who are legitimately injured or become ill because of their job, but rising costs are impacting our communities, businesses and economy.

- **Public Agencies Pay the Price:** Cities, counties, school districts and other public employers pay these costs directly, forcing funding away from public safety, classrooms and community programs.
- **Taxpayers Feel the Impact:** Higher costs can lead to reduced services and added pressure on state and local budgets.
- **Businesses Face Higher Costs:** Rising claims drive up insurance premiums for employers, making it more expensive to hire, grow and invest in California and putting increased pressure on small businesses.
- **Workers Face Delays:** A more complex, overburdened system slows down legitimate claims and delays care and benefits.

$594.9 million

Annual paid losses by California public self-insured employers due to workers' comp claims for FY 2024-25

THE ABUSE

Cumulative trauma (CT) claims have always been a part of California's workers' compensation system, but their share of total claims has risen sharply in recent years due to a lack of guardrails about when and why CT claims can be filed. **Loopholes in the law are being exploited by bad actors and driving up costs for the entire system.**

- Cumulative trauma accounts for about 1 in 4 claims in California, twice the rate of 15 years ago.
- 82% of CT claims in 2024 involved attorneys, and that rate has steadily climbed in recent years.
- About 40% of CT claims are filed *after* employment ends.

THE FIX

California needs practical reforms that will hold bad actors accountable and ensure workers' compensation works as intended – protecting benefits and delivering timely, fair outcomes for legitimately injured workers. **California must enact targeted, commonsense reforms to safeguard benefits, restore fairness and accountability.**

Reforms must:

- Require a **clear and meaningful connection to the job.**
- Establish **reasonable deadlines for filing claims.**
- Set **minimum employment thresholds.**
- Require **timely medical and workplace documentation.**

$7 billion

Estimated annual cost of cumulative trauma claims in California

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.
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