



CALENDAR YEAR 2025
ANNUAL REPORT ON THE **EFFECTS OF THE**
2013 Workers' Compensation
Reform Act

April 15, 2026 | Tennessee Bureau of Workers' Compensation
Administrator, Troy Haley



Executive Summary

Governor Lee and Members of the 114th General Assembly:

The 2013 Workers' Compensation Reform Act is a law that changed the way workers' compensation claims are handled in Tennessee. The results have been positive and consistent with the legislative intent of being fair to both employees and employers. Results are also in accord with our mission, which is to minimize the impact of work-related injuries through processes that are fair, efficient, and accessible to all participants in the Tennessee workers' compensation system. Highlights of this year's report include the following:

- Our mediated settlement and court-approved settlement numbers continue to be strong. In 2025, our mediators conducted 2,455 successful mediations and our judges approved 8,723 settlements.
- Our ombudsman program assisted 13,067 employees and employers.
- The Bureau has conducted education and training programs across the state for employers, insurance adjusters, and medical providers. Our [REWARD Program](#) provides training to employers on best practices in returning an injured worker to employment, and our Next Step Program provides vocational recovery and educational assistance. Our Certified Physician Program provides training for physicians on how best to encourage return-to-work and is an effort to improve access to care for injured workers in Tennessee. Our innovative Adjuster Certification Program has trained and certified 890 workers' compensation adjusters and employer representatives since its inception in 2018.

According to data provided by Elevate Consulting in August 2025 to the Tennessee Workers' Compensation Advisory Council ("Trends in Workers' Compensation Data, 2009-2023"), the following trends were noted (data was adjusted for inflation):

- **System Performance:** Post-2013 reform, the system shows measurable efficiency gains, with total claim timelines shortened by **~30 weeks** from injury to conclusion.
- **Medical & Disability Costs:**
 - Medical expenses remained stable (**\$23,591 pre-reform** → **\$23,094 post-reform**, not significant).
 - Temporary Total Disability was essentially unchanged (**\$11,326** → **\$11,285**, not significant).

- Permanent Partial Disability dropped sharply (**\$24,616** → **\$11,735**, statistically significant), and fewer claimants receive PPD each year.
- **Death Benefits:** Average death benefits increased significantly (**\$114,380** → **\$166,194**), with post-2019 variation likely related to COVID-19.
- **Total Salary-Based Compensation** (includes temporary and permanent disability benefits): Declined significantly (**\$30,505** → **\$20,138**).
- **Return to Work:**
 - Return to the same employer increased from **58.6% pre-reform to 72.0% post-reform**.
 - Claimants receiving case management or TPD benefits had the highest return-to-work rates.
- **Claim Timeliness:**
 - Injury to Maximum Medical Improvement (MMI) improved from **53.0 weeks to 40.1 weeks**. (MMI marks the end of active, curative treatment, though long-term maintenance care (like medication or therapy) may continue. Once MMI is reached, temporary disability benefits typically stop, and the claim moves toward closure or a permanent disability payout.)
 - MMI to conclusion of claim improved from **44.8 weeks to 27.3 weeks**.
- **Demographics:** Higher compensation remains associated with **ages 35–64, less than a high school education**, and **East Tennessee residency**, consistent with statutory PPD criteria.
- **Case Resolution:** Most post-reform claims resolve through **court-approved settlements**, reducing litigation time and costs.

In conclusion, the 2013 Reform Act has streamlined the workers' compensation system, making it more timely, supportive of self-represented parties, consistent, and cost-effective. The Tennessee Department of Commerce and Insurance (TDCI) announced that workers' compensation insurance premiums will decline for most Tennessee businesses in 2026 **for the 13th consecutive year**. On Dec. 23, 2025, TDCI Commissioner Carter Lawrence signed an order approving a 2.0% overall loss cost decrease for the voluntary market beginning March 1, 2026, on new and renewal policies. Since Tennessee's workers' compensation system reforms began in 2014, Tennessee employers have saved substantially with these loss cost reductions.

Due to the success of our court of workers' compensation claims, our mediation program, and our ombudsman program, more cases are mediated to reach a settlement without the need for a trial, and injured workers are receiving timely medical treatment and returning

to work sooner. We thank you for your interest in workers' compensation and your support in making Tennessee a leader in providing high-quality services to its citizens.

Sincerely,



Troy Haley, Administrator

**If comparing these numbers from last year's report, they don't add up. Why? Pre-reform data presented in the source Elevate report reflects information available as of the analysis date. Due to ongoing case finalizations, these numbers may vary in previous and future reports.*

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Review the basics:

Watch a video covering the basics of Tennessee's workers' compensation system at <https://youtu.be/CuLqYbbPQSY>



\$1.9M in **penalty assessments** for violations.

Tuesdays had the greatest number of injuries.
14,953

72%
Mediation
Resolution
Rate

2,161 disputed claims were **resolved** (in full or in part) by a BWC mediator before going to court.

65 individuals are receiving benefits from the **Subsequent Injury Fund**.

Over **\$1.1 million** in benefits were paid from this fund.

0.3%

of the 3,012 disputed claims (10 cases) were appealed to the Tennessee Supreme Court.

8.3K settlements were **approved** in the Court of Workers' Compensation Claims

8.2K lawsuits were filed in 2025
25% were filed to dispute claims
75% were filed for settlement approvals.

87K work-related injuries reported.

▽ *about 1K less than last year*

72% of workers **returned to work** to the same employer. That's 13% more than pre-reform.

WORKERS' COMPENSATION

108 injuries resulted in fatalities.

△ 1% more than last year

Health Care and Social Assistance was the industry with the highest percentage of claims.

15.8%

70% of claims were "med-only"

"Med-only claims" means no temporary disability benefits were paid. They are less expensive and mean no lost work time payments resulted.

The average number of weeks from the date of maximum medical improvement (MMI) **to date of conclusion has decreased** from 44 weeks to 27 weeks after law changes in 2014.

17 weeks shorter

61

impairment ratings were issued by Medical Impairment Rating Registry physicians.

18-30-year-olds had the most injuries.

27,704

3,472 employees have **gained protections** of workers' comp coverage due to our compliance investigators.

5.4K judicial hearings held in our court system.

Claim Statistics

In Tennessee, workers' compensation insurance claims are paid by private insurance companies or by employers who are self-insured. Those claims are reported to us. The following data are from calendar year 2025.

Top 5 Industries for Claims

The same top five industries reported the most claims in Tennessee again in 2025.

- 15%** Health Care and Social Assistance
- 15%** Retail Trade
- 14%** Manufacturing
- 9%** Transportation and Warehousing
- 8%** Accommodation and Food Services

Top 4 Nature of Injuries

The nature of injury describes the specific type of tissue or body part affected and the kind of damage sustained, for example, a muscle strain, a bone fracture, or a skin laceration.

- 1. Strain or Tear
- 2. Contusion
- 3. Laceration
- 4. Sprain or Tear

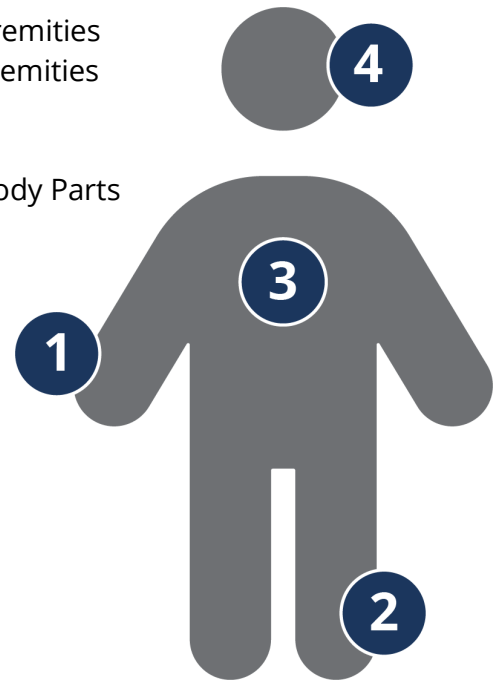
Top 5 Causes of Injury

Understanding these primary causes can influence safety trainings to better address and prevent these types of injuries in the workplace.

- 1. Lifting
- 2. Falls, Slips, or Trips
- 3. Object Being Lifted or Handled
- 4. Strains
- 5. On Same Level

Top 5 Injured Body Parts

- 1. Upper Extremities
- 2. Lower Extremities
- 3. Trunk
- 4. Head
- 5. Multiple Body Parts



Age Distribution of Work-Related Injuries

The age distribution of reported work injuries remains very similar to last year's report. The majority of workers' compensation claims in 2025 originated from younger workers. Those aged 18-30 account for the largest share (34%), followed by the 31-45 group (29%). Claims steadily decrease with age, with the smallest proportion belonging to workers over 65 (5%) and those under 18 (1%).

- **18-30:** 34% of claims
- **31-45:** 29% of claims
- **46-55:** 17% of claims
- **56-65:** 14% of claims
- **Over 65:** 5% of claims
- **Under 18:** 1% of claims

First Reports of Injury (FROI) by County

Highest		Lowest	
% of total number of claims	County	% of total number of claims	County
15.7%	Davidson	.07%	Perry
12%	Shelby	.07%	Lake
7.1%	Knox	.06%	Bledsoe
6.6%	Hamilton	.06%	Cannon
5.3%	Rutherford	.06%	Houston
3.4%	Williamson	.04%	Moore
2.9%	Wilson	.03%	Jackson
2.5%	Sullivan	.03%	Clay
2.4%	Sumner	.03%	Hancock
2.2%	Montgomery	.02%	Van Buren

Alternative Dispute Resolution

The Bureau provides ombudsman and mediation services to help injured workers and employers decide how their disputes resolve, without relying upon a judge. These services allow for quicker and less expensive problem solving than relying upon court alone.

Ombudsman Program

The [Ombudsman Program](#) aids injured workers, their family members, and their employers who are not represented by an attorney. Ombudsmen answer benefit questions, direct people to educational materials, and are the first line of dispute resolution assistance. These efforts make the workers' compensation system more efficient by working with all parties during a dispute to keep litigation costs down and ensure benefits are provided correctly. This program also saves taxpayer money by resolving disputes without court involvement, which alleviates the burden on our court system.

In 2025, Bureau ombudsmen made 13,067 contacts, including calls, in-person consultations, emails and other correspondence. Approximately 90 percent of those inquiries involved injured workers with benefit disputes, which the ombudsmen resolved informally. This was done by mostly educating the customer and answering their questions, but on 622 occasions, an ombudsman communicated with the employer or carrier to help an injured worker receive benefits. Moreover, in about 21% of all contacts, the ombudsmen refer Tennesseans to other government services like the Tennessee American Job Centers, SNAP, and adult education.

Mediation Program

[Mediators](#) help injured workers, attorneys, employers, and insurance companies resolve workers' compensation disputes. Mediation provides an opportunity for both sides to address their concerns and to make informed decisions based on their own priorities and needs. Our mediators help parties talk it out, educate, and explore what is possible. They provide guidance and results that may not be available through litigation. These disputes could be for medical care payments, lost wages and/or permanent disability.

- **2,161 Resolved.** Most disputes resolve during mediation.
72% resolution rate for mediations conducted in 2025 versus 76% in 2024.
- **851 Unresolved.** The issues that remain unresolved after mediation typically are decided in court.
Mediations decreased from 3,225 in 2024 to 3,015 in 2025 or a decrease of 6.5%.

Ombudsman Attorneys

Navigating a court system can be intimidating. Unrepresented injured workers assisted by our ombudsman attorneys are better prepared for court in cases that aren't resolved during mediation. They provide limited legal advice and guidance to injured workers (or employers) who do not have an attorney.

The ombudsmen attorneys gave limited legal advice and educated **276** injured workers in 2025 compared to 236 customers in 2024, and of them, 144 were new customers compared to 117 in 2024. The ombudsmen attorneys offered practical, plain-language guidance on topics such as:

- how to obtain medical evidence in an admissible form for a trial;
- how to request that a document be admitted into evidence at a hearing;
- how to respond to all types of written discovery and motions, including, for example, requests for admissions or complicated summary judgment motions; and
- how to cross-examine an expert witness at a deposition.

As a result, their customers are better prepared and more confident, either for court or to negotiate a fair settlement beneficial to all parties. Of note: The Bureau currently has three ombudsman attorneys due to budget limitations. Due to a backlog of cases, there is a waiting list to access the program. Additional staff are needed to serve unrepresented injured workers and sole proprietors. Ultimately, the program helps to lower costs to the workers' compensation system in Tennessee.

Court of Workers' Compensation Claims

The [Court of Workers' Compensation Claims](#) is a specialty court that hears workers' compensation claims exclusively. The court is dedicated to providing a fair, efficient, and professional system to employees and employers that promotes economic prosperity for all Tennesseans. With experienced judges focused solely on workers' compensation law, claims are decided faster and with more consistency than pre-Reform. To ensure fairness, the judges apply the rules of evidence and civil procedure at all evidentiary hearings, and the law is no longer construed remedially to favor one side over the other.

Along with deciding cases, the court approves settlements using the statutory criteria to ensure that injured workers are receiving substantially the benefits they are entitled to or that the settlement is in their best interest.

13,841 Total Hearings (including settlements) were held by the Court of Workers' Compensation:

- **8,347** Settlement Approvals
- **116** Expedited Hearings
- **40** Summary Judgment Hearings
- **31** Compensation Hearings
- **357** Scheduling Hearings
- **326** Show Cause Hearings
- **3,633** Status Hearings
- **660** Motion Hearings
- **331** Misc. Hearings

Before the Reform Act in 2013, a major complaint about the workers' compensation system was how long it took to obtain a decision from the trial judge. The numbers below are a sizeable decrease in the time it now takes to receive a decision in a case.

Average business days orders are released from the date of the hearing:

- **7.02 days** for Expedited Hearing Orders
- **5.28 days** for Summary Judgment Orders
- **8.66 days** for Compensation Orders

Appeals Board

The [Workers' Compensation Appeals Board](#), created by the 2013 Reform Act, considers two kinds of appeals: (1) orders from the Court of Workers' Compensation Claims that did not fully resolve all issues in the case (called "interlocutory" or "expedited" orders) and (2) final orders from the Court of Workers' Compensation Claims (often called "compensation orders"). This specialized court process results in speedier and more consistent decisions, which has significantly reduced the number of workers' compensation appeals filed with the Tennessee Supreme Court.



Judge Pele I. Godkin (Nashville), Timothy W. Conner (Knoxville), and Meredith Balthrop Weaver (Knoxville)

- **10** Cases were appealed to the Supreme Court in 2025. Of those, 5 were either affirmed or dismissed by the Supreme Court, and 5 remain pending.
- **51 Interlocutory Appeals.** Interlocutory orders address specific aspects of a case but do not fully resolve the case. Unlike in most other courts, any party to a workers' compensation case has the right to appeal any order issued by the trial court. As a result, both employees and employers have the opportunity to ask for appellate review of court orders *before* the final trial in the case has occurred. In 2025, the Appeals Board issued decisions on interlocutory orders, on average, within about 16 days of the date the Appeals Board received the record.

Decisions were issued four days sooner than the 20-business day statutory deadline.

- **28 Compensation Appeals.** These are appeals of orders that fully resolve the case. The number of compensation appeals received in any given year depends heavily on a variety of factors but has remained fairly consistent over the last few years. On average, it took 29 days to issue an opinion in a compensation appeal, well under the statutory requirements and significantly faster than under pre-reform law.

Decisions were made 16 days sooner than the 45-calendar day statutory deadline.

- **79 Notices of Appeal** were filed in 2025, 57% of which came from self-represented injured workers. Δ 20 more appeals than last year

Why doesn't this number agree with the number of decisions issued as reflected in the chart below?

Some cases remain pending at the turn of each new year.



Oral Argument was held on-stage and in front of attendees at the Tennessee Workers' Compensation Educational Conference in June 2025.

Dispositions of the Opinions Released by the Appeals Board in 2025

- Affirmed and Certified as Final: **21**
- Affirmed and Remanded: **28**
- Affirmed in Part, Reversed in part, and Remanded: **4**
- Affirmed in Part, Reversed in Part, Modified in Part, and Certified as Final: **1**
- Dismissed and Other Dispositions: **14**
- Reversed and Remanded: **6**

Medical Components

Access to quality medical care improves the outcomes for injured workers and lowers the ultimate costs of claims.

Utilization Review Appeals

The medical unit reviews appeals to determine if a physician's recommended treatment is reasonable and necessary. The decision in a utilization review appeal may reverse or affirm the denial issued by the employer's insurance company and its reviewing vendor. The Bureau issues its determination in the regulatory timeframes when all pertinent materials are available. The unit's efficiency has a direct impact on the time it takes injured workers to receive medical treatment when their treatment has been denied. Learn more about [utilization review](#) and the appeal process.

- Determinations are issued **within one day** after the required notification period.
- **1,379 determinations** were issued in calendar year 2025.
Slightly more than the previous year.
- The Bureau **reversed or modified 52%** of the denials of medical treatment received on appeal.
Slightly more than the year before.

Case Management

The Bureau confirms licensing, accreditation, and continuing education requirements are fulfilled and current, so that the case managers who work on Tennessee workers' compensation claims have proper training and adhere to the state's rules and protocols. Learn more about [case management](#).

- **1,409 Case managers and case manager assistants** are registered with the Bureau.
As of December 2025

Medical Payment Committee

This [committee](#) is an administrative process for resolving payment disputes between medical providers and insurers regarding the proper payment for services rendered under the fee schedule. Also, the committee advises the administrator on issues relating to the

[medical fee schedule](#) and medical care cost containment. This includes changes to the fee schedule, assessment of national billing coding changes that impact providers, and changes made by Medicare. The adoption of rate tables in April of 2024 has improved the efficiency of reimbursements which is provided by FAIR Health and free to the providers.

- **170 cases** were appealed to the committee during calendar year 2025.
- **105 decisions** were issued
- **65 cases resolved** *before* committee action.

Medical Advisory Committee

The [Medical Advisory Committee](#) advises the administrator on issues related to medical services and costs. This committee met four times in 2025.

1. The American Medical Association closed further revisions to the AMA Guides® to the Evaluation of Permanent Impairment, codifying the changes for 2025. The Medical Advisory deferred the required statutory evaluation pending further analysis of the impact on all stakeholders.
2. The Tennessee Chronic Pain Guidelines have not been updated since the new administration.
3. At each meeting a review of updates published by *ODGbyMCG*® (the vendor of the treatment guidelines adopted for the medical necessity of treatments for injured workers in Tennessee) was discussed. The Committee refused to recommend the revision published July 2024, November 2024, January 2025, April 2025 and October 2025. Ongoing discussions have been very fruitful, and the Committee is awaiting upcoming changes agreed to. So far, this delay has had limited impact on the approvals or denials of treatments recommended for injured workers. The medical director is monitoring the impact through Utilization Review Appeals.
4. Reports from the National Council of Compensation Insurers (NCCI) and the Workers' Compensation Research Institute (WCRI) were circulated to the committee.
5. Utilization Review subjects included issues with peer-to-peer contacts and insurers (adjusters) lack of timely and accurate communication.

Medical Impairment Rating Registry

This program is an administrative dispute resolution process that helps settle claims when there are differing and unresolved injured worker's impairment ratings. When parties disagree, a qualified registry physician provides an impartial opinion.

The new Certified Physician Program coordinates with this program to simplify eligibility in an effort to increase physician participation in the Registry. Learn more about the [Medical Impairment Rating Registry](#).

- **120 MIR Physicians** are registered and trained to provide [impairment ratings](#).
△ 12% increase from last year.
- **61 MIR Reports Issued.**
in calendar year 2025.

Certified Physician Program

A special educational outreach initiative to [train physicians](#) in the most effective strategies to treat injured workers, return them to employment, communicate with case managers and complete the extra requirements for closing a claim. This program has over 120 physicians with added training of many specialties available to treat injured workers.



Additional Updates

While the following updates are not directly related to the Reform Act, these programs connect and influence the efforts of the Bureau of Workers' Compensation.

Drug-Free Workplace Program

Reducing workplace accidents that involve drug use.

- **2,808** participating employers
Unchanged from last year. Testing for THC is causing some participants to drop out.
- **286,365** employees covered in the program
An increase from last year. Employers with more employees have increased.

Uninsured Employers Fund

Assisting workers who are not provided benefits they are owed.

- **3,472** workers gained coverage due to this program's efforts in 2025.
- **45** qualified employees received medical and/or weekly benefits from the fund (*Cumulative since 2015, Funded by penalty collections from uninsured employers, not General Fund.*).

Employee Misclassification Education and Enforcement Fund

Ensuring employers pay their fair share of workers' compensation insurance.

- **64 referrals** received for possible employee misclassifications.
- **9 penalties** issued to businesses for misclassification and/or underreporting payroll.

Compliance Program Penalty Assessments

Ensuring parties follow administrative rules.

\$1,945,525.85 in penalty assessments from the Compliance Program for violations of T.C.A. § 50-6-412.

Workers' Compensation Exemption Registry

An option for construction business owners who don't have to carry insurance on themselves.

- **22,000+** Application renewals, reinstatements, and new applications were processed in 2025.

Subsequent Injury Fund

Encourages employers to hire workers who already have a permanent disability by reducing their risk if another injury occurs.

- **150** new cases opened in 2025
- **16** cases closed with benefits awarded
- **168** cases closed without benefits awarded

Next Step Program

Providing career transitional services to workers who suffer a severe injury and cannot return to their former jobs.

- **42** Next Step applicants, up 12 from 2024
- **29** returned to work, up from 17 in 2024
- **15** enrolled in school, up from 12 in 2024
- **21** Next Step scholarships awarded since 2020.
- Awarded \$23,437 in scholarship aid to 7 recipients in 2025 compared to \$13,283 to 5 recipients in 2024.

REWARD Program

Helping employers and physicians focus on recovery for a speedy return to work. In 2025:

- **47 Physicians** were [certified](#). (125 total)
- **28 Employers** participated in our [Return-to-Work Coordinator](#) virtual course.
- **276 Organizations Reached Overall:** The [REWARD Program](#) engaged with various organizations (employers, attorneys, TPAs, adjusters, case managers, and relevant medical providers) during the year.
△ 17% increase from last year.

Communication and eLearning

Conveying useful information in plain English through a variety of platforms.

- **2.6K** followers/subscribers across our social media platforms.
- **119** virtual and in-person presentations.
- **112 Adjusters** voluntarily [certified](#) in 2025.
- **8.5K subscribers** to our email newsletters.

BWVC

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COMPENSATION



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