

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc

Location: San Ramon

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 15 divide by # claims with payable indem 59 = 0.25424

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 24,967.55 divide by # of claims with obligation to pay indem. 59
Avg Unpd Ind = \$ 423.18

C. Severity Rate

Avg Unpd Indem \$ 423.18 divide by avg unpd indem 2001-2003 of \$169.34 = 2.49899

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.25424 X Severity rate 2.49899 X modifier of 2
= 1.27067

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	31	divide by # with TD payments	55	
# claims with late first SC notice	2	divide by # with salary continuation	2	
Totals	33	divide by	Totals 57	=

0.57895

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	2	divide by # with first PD	11	
# claims with late first VRMA	1	divide by # with first VRMA	6	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	3	divide by	Totals 17	=

0.17647

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 4 divide by # with subsequent payments 36 =
0.11111

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	13	divide by # requiring notices	39	
# claims with VR potential eligibility notice violations	7	divide by # requiring notices	9	
Totals	20		Totals 48	

= 0.41667

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 2.55387

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc.

Location: San Ramon

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 37 divide by # claims with payable indem 136 = 0.27206

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 62,680.73 divide by # of claims with obligation to pay indem. 136
Avg Unpd Ind = \$ 460.89

C. Severity Rate

Avg Unpd Ind. \$ 460.89 divide by avg unpd indem 2001-2003 of \$169.34 = 2.72167

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.27206 X Severity rate 2.72167 X modifier of 2
= 1.48091

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	59	divide by # with TD payments	119	
# claims with late first SC notice	5	divide by # with salary continuation	10	
Totals	64	divide by	Totals 129	=
				0.49612

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	12	divide by # with first PD	37	
# claims with late first VRMA	1	divide by # with first VRMA	15	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	13	divide by	Totals 52	=
				0.25000

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 11 divide by # with subseq payments 89 = 0.12360

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	34	divide by # requiring notices	95	
# claims with VR potential eligibilty notice violations	25	divide by # requiring notices	30	
Totals	59		Totals 125	
				= 0.47200

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 2.82263

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc.

Location: San Ramon

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$550.28						\$550.28
2	\$6,411.75						\$6,411.75
3	\$210.00			\$70.00			\$280.00
4	\$137.13						\$137.13
5				\$467.34			\$467.34
6	\$312.00			\$31.20			\$343.20
7	\$657.37						\$657.37
8				\$327.15			\$327.15
9			\$7,333.12				\$7,333.12
10	\$1,364.22			\$125.13			\$1,489.35
11	\$77.28						\$77.28
12				\$98.00			\$98.00
13				\$133.67			\$133.67
14		\$2,520.00		\$252.00			\$2,772.00
15	\$1,062.90					\$106.91	\$1,169.81
16		\$72.76					\$72.76
17		\$851.01		\$85.10			\$936.11
18				\$128.00			\$128.00
19				\$280.66			\$280.66
20				\$226.82			\$226.82
21				\$683.49			\$683.49
SUBTOTAL	\$10,782.93	\$3,443.77	\$7,333.12	\$2,908.56	\$0.00	\$106.91	\$24,575.29

Calendar Year: 2005
Notices of Compensation Due

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc.

Location: San Ramon

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22		\$400.40	\$3,690.00	\$40.04			\$4,130.44
23	\$20.25						\$20.25
24	\$86.37						\$86.37
25	\$278.40						\$278.40
26	\$266.21	\$4,757.14		\$502.33			\$5,525.68
27	\$3,430.00		\$8,080.00				\$11,510.00
28	\$154.42						\$154.42
29		\$3,265.72					\$3,265.72
30	\$1,247.99			\$131.10			\$1,379.09
31				\$236.40			\$236.40
32		\$3,300.00					\$3,300.00
33			\$530.29				\$530.29
34	\$946.38			\$94.64			\$1,041.02
35		\$158.57		\$15.86			\$174.43
36	\$276.05	\$40.07		\$2.17			\$318.29
37	\$107.67			\$10.77			\$118.44
38	\$172.00	\$2,907.15		\$365.13			\$3,444.28
39	\$35.51						\$35.51
40						\$531.94	\$531.94
41	\$6,670.77	\$194.26		\$399.31			\$7,264.34
42	\$95.40					\$3.63	\$99.03
Page 2 SUBTOTAL	\$13,787.42	\$15,023.31	\$12,300.29	\$1,797.75	\$0.00	\$535.57	\$43,444.34
Page 1 SUBTOTAL	\$10,782.93	\$3,443.77	\$7,333.12	\$2,908.56	\$0.00	\$106.91	\$24,575.29
Pages 1 & 2 SUBTOTAL	\$24,570.35	\$18,467.08	\$19,633.41	\$4,706.31	\$0.00	\$642.48	\$68,019.63

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2
Page 3 of 3

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc.

Location: San Ramon

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
43				\$1,126.00			\$1,126.00
44	\$87.76			\$8.78			\$96.54
45	\$880.20	\$6,654.29	\$575.57	\$932.57			\$9,042.63
46	\$58.55						\$58.55
47		\$1,475.42				\$328.79	\$1,804.21
Page 3 SUBTOTAL	\$1,026.51	\$8,129.71	\$575.57	\$2,067.35	\$0.00	\$328.79	\$12,127.93
Pages 1 & 2 SUBTOTAL	\$24,570.35	\$18,467.08	\$19,633.41	\$4,706.31	\$0.00	\$642.48	\$68,019.63
TOTAL	\$25,596.86	\$26,596.79	\$20,208.98	\$6,773.66	\$0.00	\$971.27	\$80,147.56

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	280
Indemnity	136
Medical Only	0
Denied	66
Complaints	51
Additional	27

Audit No: SFO-03-05-R3-5

Subject: AIG Domestic Claims, Inc.

Location: San Ramon

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected*	Balance \$ Due	Appealed	
						Yes	No
1	67	\$49,369	\$0	\$49,369	\$0		x
2	17	\$9,395	\$0	\$9,395	\$0		x
3	3	\$1,920	\$0	\$1,920	\$0		x
4	38	\$13,672	\$595	\$13,077	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	78	\$15,360	\$0	\$15,360	\$0		x
7	90	\$7,513	\$0	\$7,513	\$0		x
8	225	\$92,445	\$0	\$92,445	\$0		x
9	12	\$5,260	\$0	\$5,260	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	15	\$7,985	\$0	\$7,985	\$0		x
13	37	\$20,300	\$0	\$20,300	\$0		x
14	1	\$500	\$0	\$500	\$0		x
15	42	\$24,300	\$0	\$24,300	\$0		x
16	3	\$840	\$0	\$840	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	30	\$22,920	\$0	\$22,920	\$0		x
18 b	12	\$21,790	\$0	\$21,790	\$0		x
18 c	3	\$16,000	\$0	\$16,000	\$0		x
18 d	24	\$6,075	\$0	\$6,075	\$0		x
18 e	2	\$600	\$0	\$600	\$0		x
18 f	3	\$1,100	\$0	\$1,100	\$0		x
19	29	\$2,450	\$0	\$2,450	\$0		x
20 a	9	\$525	\$0	\$525	\$0		x
20 b	1	\$1,000	\$0	\$1,000	\$0		x
20 c	10	\$41,500	\$0	\$41,500	\$0		x
20 d	16	\$6,680	\$0	\$6,680	\$0		x
21	5	\$50,400	\$0	\$50,400	\$0		x
TOTAL	772	\$419,899	\$595	\$419,304	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

*Administrative penalties modified by factor of X.X pursuant to Labor Code§129.5(c) and 8CCR§10111.2(c)(7).

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-02-05-R1-1

Subject: Alaska National Insurance Company

Location: Seattle, WA

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$57.18			\$57.18
2	\$27.72			\$2.77			\$30.49
3				\$98.00			\$98.00
TOTAL	\$27.72	\$0.00	\$0.00	\$157.95	\$0.00	\$0.00	\$185.67

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	53
Indemnity	53
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: OAK-02-05-R1-1

Subject: Alaska National Insurance Company

Location: Seattle, WA

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	11	\$675	\$675	\$0	\$0		x
2	4	\$2,675	\$2,675	\$0	\$0		x
3	1	\$75	\$75	\$0	\$0		x
4	22	\$2,220	\$2,220	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$1,000	\$1,000	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	8	\$2,200	\$2,200	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$100	\$100	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$75	\$75	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	52	\$9,020	\$9,020	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-14-05-R1-5

Subject: Alternative Services Concepts

Location: Citrus Heights

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$11.56						\$11.56
2	\$247.82			\$24.78			\$272.60
3	\$118.51						\$118.51
4	\$52.63			\$2.63			\$55.26
5		\$1,560.00					\$1,560.00
6		\$2,600.00		\$260.00			\$2,860.00
TOTAL	\$430.52	\$4,160.00	\$0.00	\$287.41	\$0.00	\$0.00	\$4,877.93

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	50
Indemnity	50
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-14-05-R1-5

Subject: Alternative Services Concepts

Location: Citrus Heights Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	13	\$1,250	\$1,250	\$0	\$0		x
2	4	\$510	\$510	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	11	\$925	\$925	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	7	\$355	\$355	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$900	\$900	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	4	\$1,600	\$1,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	4	\$1,400	\$1,400	\$0	\$0		x
18 b	2	\$1,600	\$1,600	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	48	\$8,540	\$8,540	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-11-05-R1-5

Subject: Athens Administrators

Location: Concord

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 3 divide by # claims with payable indem 58 = 0.05172

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 308.82 divide by # of claims with obligation to pay indem. 58
 Avg Unpd Ind = \$ 5.32

C. Severity Rate

Avg Unpd Indem \$ 5.32 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.03144

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.05172 X Severity rate 0.03144 X modifier of 2
 = 0.00325

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	8	divide by # with TD payments	47	
# claims with late first SC notice	3	divide by # with salary continuation	8	
Totals	11	divide by	Totals 55	=
				0.20000

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	16	
# claims with late first VRMA	0	divide by # with first VRMA	2	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals 18	=
				0.05556

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 4 divide by # with subsequent payments 32 = 0.12500

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	11	divide by # requiring notices	44	
# claims with VR potential eligibility notice violations	4	divide by # requiring notices	4	
Totals	15		Totals 48	
				= 0.31250

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.69631

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-11-05-R1-5

Subject: Athens Administrators

Location: Concord

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$131.10					\$131.10
2	\$62.95			\$6.29			\$69.24
3				\$108.48			\$108.48
TOTAL	\$62.95	\$131.10	\$0.00	\$114.77	\$0.00	\$0.00	\$308.82

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	59
Indemnity	58
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: SFO-11-05-R1-5

Subject: Athens Administrators

Location: Concord

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	8	\$3,500	\$3,500	\$0	\$0		x
2	1	\$1,200	\$1,200	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	5	\$1,150	\$1,150	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	3	\$125	\$125	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	4	\$1,400	\$1,400	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$3,100	\$3,100	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$100	\$100	\$0	\$0		x
18 b	1	\$320	\$320	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	1	\$200	\$200	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	35	\$11,095	\$11,095	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-17-05-R1-6

Subject: California Fair Services Authority

Location: Sacramento

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$133.34						\$133.34
2				\$54.00			\$54.00
3	\$119.16						\$119.16
4	\$360.00			\$15.42			\$375.42
5	\$205.72			\$0.82			\$206.54
6	\$113.67			\$11.37			\$125.04
7	\$65.03			\$6.50			\$71.53
8	\$46.01						\$46.01
9	\$2,912.25			\$291.23			\$3,203.48
TOTAL	\$3,955.18	\$0.00	\$0.00	\$379.34	\$0.00	\$0.00	\$4,334.52

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	49
Indemnity	49
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-17-05-R1-6

Subject: California Fair Services Authority

Location: Sacramento

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	8	\$1,525	\$1,525	\$0	\$0		x
2	5	\$1,090	\$1,090	\$0	\$0		x
3	1	\$100	\$100	\$0	\$0		x
4	15	\$6,265	\$6,265	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	3	\$100	\$100	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$1,300	\$1,300	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$3,700	\$3,700	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	8	\$3,500	\$3,500	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$350	\$350	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	56	\$17,930	\$17,930	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: OAK-04-05-R1-1

Subject: Church Mutual Insurance Company

Location: Merrill, WI

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 5 divide by # claims with payable indem 49 = 0.10204

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 1,543.74 divide by # of claims with obligation to pay indem. 49
 Avg Unpd Ind = \$ 31.50

C. Severity Rate

Avg Unpd Indem \$ 31.50 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.18605

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.10204 X Severity rate 0.18605 X modifier of 2
 = 0.03797

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	17	divide by # with TD payments	37	
# claims with late first SC notice	2	divide by # with salary continuation	3	
Totals	19	divide by	Totals 40	=
				0.47500

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	4	divide by # with first PD	23	
# claims with late first VRMA	1	divide by # with first VRMA	1	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	5	divide by	Totals 24	=
				0.20833

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 13 divide by # with subsequent payments 37 = 0.35135

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	13	divide by # requiring notices	28	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	5	
Totals	15		Totals 33	
				= 0.45455

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.52720

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-04-05-R1-1

Subject: Church Mutual Insurance Company

Location: Merrill, WI

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$30.46						\$30.46
2	\$12.32			\$1.23			\$13.55
3	\$56.98			\$43.79			\$100.77
4	\$103.96						\$103.96
5		\$1,295.00				\$99.35	\$1,394.35
TOTAL	\$203.72	\$1,295.00	\$0.00	\$45.02	\$0.00	\$99.35	\$1,643.09

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	49
Indemnity	49
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: OAK-04-05-R1-1

Subject: Church Mutual Insurance Company

Location: Merrill, WI

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	18	\$12,480	\$12,480	\$0	\$0		x
2	3	\$2,240	\$2,240	\$0	\$0		x
3	1	\$25	\$25	\$0	\$0		x
4	27	\$3,265	\$3,265	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	2	\$105	\$105	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	1	\$400	\$400	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	13	\$5,400	\$5,400	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	4	\$2,200	\$2,200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$225	\$225	\$0	\$0		x
18 e	1	\$5,000	\$5,000	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	72	\$31,340	\$31,340	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: LAO-03-05-R1-3

Subject: CNA Insurance

Location: Brea

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 12 divide by # claims with payable indem 59 = 0.20339

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 6,672.73 divide by # of claims with obligation to pay indem. 59
 Avg Unpd Ind = \$ 113.10

C. Severity Rate

Avg Unpd Indem \$ 113.10 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.66787

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.20339 X Severity rate 0.66787 X modifier of 2
 = 0.27168

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	21	divide by # with TD payments	55	
# claims with late first SC notice	1	divide by # with salary continuation	1	
Totals	22	divide by	Totals 56	=

0.39286

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	6	divide by # with first PD	30	
# claims with late first VRMA	3	divide by # with first VRMA	11	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	9	divide by	Totals 41	=

0.21951

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 15 divide by # with subsequent payments 51 =
 0.29412

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	13	divide by # requiring notices	48	
# claims with VR potential eligibility notice violations	10	divide by # requiring notices	16	
Totals	23	Totals	64	

0.35938

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.53754

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: LAO-03-05-R1-3

Subject: CNA Insurance

Location: Brea

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$442.74			\$86.59			\$529.33
2	\$155.43			\$15.54			\$170.97
3	\$41.52			\$29.79			\$71.31
4			\$1,943.03				\$1,943.03
5				\$21.08			\$21.08
6	\$191.77			\$19.18			\$210.95
7	\$495.14						\$495.14
8				\$50.40			\$50.40
9		\$1,652.79		\$340.08			\$1,992.87
10	\$312.00			\$31.20			\$343.20
11			\$2,307.65				\$2,307.65
12				\$108.36			\$108.36
13	\$383.01			\$38.30			\$421.31
TOTAL	\$2,021.61	\$1,652.79	\$4,250.68	\$740.52	\$0.00	\$0.00	\$8,665.60

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	60
Indemnity	59
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: LAO-03-05-R1-3

Subject: CNA Insurance

Location: Brea

Type: INS & TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	23	\$3,865	\$3,865	\$0	\$0		x
2	6	\$2,680	\$2,680	\$0	\$0		x
3	3	\$2,625	\$2,625	\$0	\$0		x
4	32	\$5,625	\$5,625	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	1	\$50	\$50	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	11	\$4,200	\$4,200	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	14	\$6,400	\$6,400	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	7	\$3,300	\$3,300	\$0	\$0		x
18 b	1	\$200	\$200	\$0	\$0		x
18 c	2	\$4,000	\$4,000	\$0	\$0		x
18 d	11	\$1,525	\$1,525	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	111	\$34,470	\$34,470	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-02-05-R1-6

Subject: County of Sacramento

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 6 divide by # claims with payable indem 56 = 0.10714

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 5,794.89 divide by # of claims with obligation to pay indem. 56
Avg Unpd Ind = \$ 103.48

C. Severity Rate

Avg Unpd Indem \$ 103.48 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.61108

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.10714 X Severity rate 0.61108 X modifier of 2
= 0.13095

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	5	divide by # with TD payments	15	
# claims with late first SC notice	6	divide by # with salary continuation	39	
Totals	11	divide by	Totals 54	=

0.20370

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	5	divide by # with first PD	15	
# claims with late first VRMA	0	divide by # with first VRMA	3	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	5	divide by	Totals 18	=

0.27778

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 3 divide by # with subsequent payments 17 = 0.17647

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	10	divide by # requiring notices	34	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	6	
Totals	12	Totals	40	=

0.30000

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.08890

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-02-05-R1-6

Subject: County of Sacramento

Location: Sacramento

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$13.71			\$13.71
2		\$4,477.00		\$447.70			\$4,924.70
3	\$168.66						\$168.66
4	\$553.62						\$553.62
5				\$50.20			\$50.20
6				\$84.00			\$84.00
TOTAL	\$722.28	\$4,477.00	\$0.00	\$595.61	\$0.00	\$0.00	\$5,794.89

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	56
Indemnity	56
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-02-05-R1-6

Subject: County of Sacramento

Location: Sacramento

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	5	\$3,025	\$3,025	\$0	\$0		x
2	5	\$2,960	\$2,960	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	6	\$275	\$275	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	5	\$150	\$150	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$600	\$600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	10	\$4,600	\$4,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	3	\$500	\$500	\$0	\$0		x
18 b	1	\$1,500	\$1,500	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	3	\$325	\$325	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	40	\$13,935	\$13,935	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: LAO-02-05-T1-5

Subject: Crawford & Company

Location: Colton

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$118.93			\$118.93
2				\$119.00			\$119.00
TOTAL	\$0.00	\$0.00	\$0.00	\$237.93	\$0.00	\$0.00	\$237.93

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	33
Indemnity	33
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: LAO-02-05-T1-5

Subject: Crawford & Company

Location: Colton

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	8	\$770	\$770	\$0	\$0		x
2	5	\$1,345	\$1,345	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	26	\$1,365	\$1,365	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	5	\$1,000	\$1,000	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	4	\$1,600	\$1,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$600	\$600	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	50	\$6,680	\$6,680	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-06-05-R1-5

Subject: Crawford & Company

Location: San Mateo

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$141.43			\$141.43
2	\$228.57			\$22.86			\$251.43
TOTAL	\$228.57	\$0.00	\$0.00	\$164.29	\$0.00	\$0.00	\$392.86

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	15
Indemnity	15
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SFO-06-05-R1-5

Subject: Crawford & Company

Location: San Mateo

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	7	\$8,880	\$8,880	\$0	\$0		x
2	1	\$160	\$160	\$0	\$0		x
3	1	\$25	\$25	\$0	\$0		x
4	11	\$1,125	\$1,125	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	1	\$500	\$500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	2	\$700	\$700	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$200	\$200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	3	\$200	\$200	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	27	\$11,790	\$11,790	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-10-05-T1-5

Subject: ESIS (An ACE Group Company)

Location: Fremont

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$231.72						\$231.72
2				\$483.64			\$483.64
3		\$9,097.01		\$909.70			\$10,006.71
4				\$145.60			\$145.60
5	\$230.77			\$23.08			\$253.85
6	\$407.96						\$407.96
7		\$9,588.00					\$9,588.00
TOTAL	\$870.45	\$18,685.01	\$0.00	\$1,562.02	\$0.00	\$0.00	\$21,117.48

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	63
Indemnity	58
Medical Only	0
Denied	0
Complaints	5
Additional	0

Audit No: SFO-10-05-T1-5

Subject: ESIS (An ACE Group Company)

Location: Fremont

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	8	\$5,390	\$5,390	\$0	\$0		x
2	4	\$1,760	\$1,760	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	5	\$510	\$510	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	1	\$50	\$50	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	7	\$2,100	\$2,100	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$4,700	\$4,700	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	3	\$900	\$900	\$0	\$0		x
18 b	2	\$2,000	\$2,000	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	3	\$750	\$750	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	44	\$18,160	\$18,160	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-03-05-R2-5

Subject: ESIS (An ACE Group Company)

Location: Portland, OR

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$1,935.59			\$367.09			\$2,302.68
2	\$494.36			\$323.95			\$818.31
3	\$341.99						\$341.99
4	\$5,047.94		\$5,692.07			\$2,956.98	\$13,696.99
5	\$495.43			\$264.34			\$759.77
6				\$522.86			\$522.86
7		\$28.58		\$2.86			\$31.44
TOTAL	\$8,315.31	\$28.58	\$5,692.07	\$1,481.10	\$0.00	\$2,956.98	\$18,474.04

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	42
Indemnity	42
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: 0AK-03-05-R2-5

Subject: ESIS (An ACE Group Company)

Location: Portland, OR

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	14	\$3,730	\$0	\$3,730	\$0		x
2	3	\$2,240	\$0	\$2,240	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	18	\$6,800	\$300	\$6,500	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$800	\$800	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$4,100	\$4,100	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$7,700	\$0	\$7,700	\$0		x
18 b	1	\$400	\$0	\$400	\$0		x
18 c	1	\$1,000	\$0	\$1,000	\$0		x
18 d	6	\$2,650	\$0	\$2,650	\$0		x
18 e	1	\$1,000	\$0	\$1,000	\$0		x
18 f	1	\$500	\$0	\$500	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	64	\$30,920	\$5,200	\$25,720	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-07-05-R1-1

Subject: Fireman's Fund Insurance Company

Location: Novato

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 4 divide by # claims with payable indem 56 = 0.07143

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 363.53 divide by # of claims with obligation to pay indem. 56
Avg Unpd Ind = \$ 6.49

C. Severity Rate

Avg Unpd Indem \$ 6.49 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.03833

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.07143 X Severity rate 0.03833 X modifier of 2
= 0.00548

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	7	divide by # with TD payments	43	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	7	divide by	Totals 43	=
				0.16279

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	3	divide by # with first PD	18	
# claims with late first VRMA	0	divide by # with first VRMA	11	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	3	divide by	Totals 29	=
				0.10345

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 8 divide by # with subsequent payments 42 = 0.19048

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	18	divide by # requiring notices	34	
# claims with VR potential eligibility notice violations	7	divide by # requiring notices	12	
Totals	25	Totals	46	
				= 0.54348

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.00567

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-07-05-R1-1

Subject: Fireman's Fund Insurance Company

Location: Novato

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$93.99			\$93.99
2	\$228.57						\$228.57
3				\$14.00			\$14.00
4				\$26.97			\$26.97
TOTAL	\$228.57	\$0.00	\$0.00	\$134.96	\$0.00	\$0.00	\$363.53

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	58
Indemnity	56
Medical Only	0
Denied	0
Complaints	2
Additional	0

Audit No: SFO-07-05-R1-1

Subject: Fireman's Fund Insurance Company

Location: Novato

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	7	\$1,725	\$1,725	\$0	\$0		x
2	3	\$820	\$820	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	8	\$1,325	\$1,325	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	7	\$2,700	\$2,700	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	18	\$8,800	\$8,800	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$200	\$200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	3	\$275	\$275	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	47	\$15,845	\$15,845	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: SAC-11-05-R2-2

Subject: Ford Motor Company

Location: Manteca

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 9 divide by # claims with payable indem 28 = 0.32143

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 6,126.44 divide by # of claims with obligation to pay indem. 28
Avg Unpd Ind = \$ 218.80

C. Severity Rate

Avg Unpd Ind. \$ 218.80 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.29208

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.32143 X Severity rate 1.29208 X modifier of 2
= 0.83063

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	9	divide by # with TD payments	23	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	9	divide by	Totals 23	=

0.39130

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	17	
# claims with late first VRMA	2	divide by # with first VRMA	4	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	3	divide by	Totals 21	=

0.14286

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 11 divide by # with subseq payments 20 = 0.55000

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	4	divide by # requiring notices	22	
# claims with VR potential eligibilty notice violations	2	divide by # requiring notices	5	
Totals	6		Totals 27	

= 0.22222

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 2.13701

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-11-05-R2-2

Subject: Ford Motor Company

Location: Manteca

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$1,475.30		\$294.00			\$1,769.30
2	\$518.73			\$16.39			\$535.12
3				\$68.00			\$68.00
4				\$74.00			\$74.00
5				\$659.88			\$659.88
6	\$481.43	\$680.00		\$118.57			\$1,280.00
7				\$140.20			\$140.20
8	\$478.50						\$478.50
9	\$959.20			\$162.24			\$1,121.44
TOTAL	\$2,437.86	\$2,155.30	\$0.00	\$1,533.28	\$0.00	\$0.00	\$6,126.44

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	28
Indemnity	28
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-11-05-R2-2

Subject: Ford Motor Company

Location: Manteca

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	13	\$2,555	\$0	\$2,555	\$0		x
2	1	\$250	\$0	\$250	\$0		x
3	2	\$500	\$0	\$500	\$0		x
4	46	\$4,340	\$1,000	\$3,340	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$800	\$800	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	4	\$1,200	\$1,200	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$1,600	\$0	\$1,600	\$0		x
18 b	2	\$600	\$0	\$600	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	18	\$1,500	\$0	\$1,500	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	94	\$13,345	\$3,000	\$10,345	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-12-05-R1-2

Subject: Foster Farms

Location: Livingston

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$110.00			\$110.00
2		\$2,685.71		\$268.57			\$2,954.28
3		\$105.68		\$29.06			\$134.74
4	\$2,371.20			\$237.12			\$2,608.32
5				\$10.13			\$10.13
6	\$391.28			\$16.00			\$407.28
TOTAL	\$2,762.48	\$2,791.39	\$0.00	\$670.88	\$0.00	\$0.00	\$6,224.75

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	55
Indemnity	55
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-12-05-R1-2

Subject: Foster Farms

Location: Livingston

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	15	\$2,150	\$2,150	\$0	\$0		x
2	5	\$1,110	\$1,110	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	16	\$6,520	\$6,520	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	6	\$1,800	\$1,800	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$3,500	\$3,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	2	\$5,400	\$5,400	\$0	\$0		x
18 b	2	\$1,200	\$1,200	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	3	\$650	\$650	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	60	\$22,330	\$22,330	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No.: SFO-04-05-R1-5

Subject: Frye Claims Consultation & Administration

Location: Hayward

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$145.60			\$145.60
TOTAL	\$0.00	\$0.00	\$0.00	\$145.60	\$0.00	\$0.00	\$145.60

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	15
Indemnity	15
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SFO-04-05-R1-5

Subject: Frye Claims Consultation & Administration

Location: Hayward

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	5	\$475	\$475	\$0	\$0		x
2	0	\$0	\$0	\$0	\$0		x
3	1	\$50	\$50	\$0	\$0		x
4	44	\$4,550	\$4,550	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	1	\$400	\$400	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	1	\$400	\$400	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$300	\$300	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	54	\$6,175	\$6,175	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-01-05-R1-5

Subject: GAB Robins North America

Location: Rancho Cordova

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 15 divide by # claims with payable indem 57 = 0.26316

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 3,143.56 divide by # of claims with obligation to pay indem. 57
 Avg Unpd Ind = \$ 55.15

C. Severity Rate

Avg Unpd Indem \$ 55.15 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.32568

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.26316 X Severity rate 0.32568 X modifier of 2
 = 0.17141

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	30	divide by # with TD payments	55	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	30	divide by	Totals 55	=

0.54545

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	6	divide by # with first PD	13	
# claims with late first VRMA	0	divide by # with first VRMA	2	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	6	divide by	Totals 15	=

0.40000

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 14 divide by # with subsequent payments 36 =
 0.38889

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	7	divide by # requiring notices	45	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	4	
Totals	9	Totals	49	

= 0.18367

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 **1.68943**

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-01-05-R1-5

Subject: GAB Robins North America

Location: Rancho Cordova

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$114.62			\$114.62
2	\$491.64			\$76.47			\$568.11
3				\$63.42			\$63.42
4	\$61.11			\$6.11			\$67.22
5		\$210.00					\$210.00
6	\$350.00						\$350.00
7				\$176.94		\$4.60	\$181.54
8		\$350.00		\$35.00			\$385.00
9				\$24.00			\$24.00
10				\$425.50			\$425.50
11				\$74.46			\$74.46
12				\$182.86			\$182.86
13	\$221.72			\$162.60			\$384.32
14	\$64.52			\$2.08			\$66.60
15	\$45.91						\$45.91
TOTAL	\$1,234.90	\$560.00	\$0.00	\$1,344.06	\$0.00	\$4.60	\$3,143.56

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	59
Indemnity	57
Medical Only	0
Denied	0
Complaints	2
Additional	0

Audit No: SAC-01-05-R1-5

Subject: GAB Robins North America

Location: Rancho Cordova Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Due	No
1	30	\$7,575	\$7,575	\$0	\$0		x
2	6	\$2,060	\$2,060	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	37	\$4,025	\$4,025	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$600	\$600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	7	\$1,500	\$1,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$1,200	\$1,200	\$0	\$0		x
18 b	2	\$800	\$800	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	23	\$1,575	\$1,575	\$0	\$0		x
18 e	1	\$100	\$100	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	114	\$19,435	\$19,435	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-06-05-R1-6

Subject: Golden State Risk Management Authority

Location: Willows

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$30.97			\$30.97
2				\$618.41			\$618.41
3				\$22.02			\$22.02
4	\$34.68						\$34.68
5	\$910.00			\$516.00			\$1,426.00
6	\$180.00			\$646.00			\$826.00
TOTAL	\$1,124.68	\$0.00	\$0.00	\$1,833.40	\$0.00	\$0.00	\$2,958.08

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	36
Indemnity	36
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-06-05-R1-6

Subject: Golden State Risk Management Authority

Location: Willows

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	6	\$925	\$925	\$0	\$0		x
2	5	\$2,260	\$2,260	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	6	\$2,445	\$2,445	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	6	\$230	\$230	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$900	\$900	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	9	\$2,600	\$2,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	3	\$600	\$600	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	9	\$1,700	\$1,700	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	47	\$11,660	\$11,660	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-13-05-R1-5

Subject: Intercare Insurance Services

Location: Roseville

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 8 divide by # claims with payable indem 48 = 0.16667

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 3,406.46 divide by # of claims with obligation to pay indem. 48
Avg Unpd Ind = \$ 70.97

C. Severity Rate

Avg Unpd Indem \$ 70.97 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.41909

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.16667 X Severity rate 0.41909 X modifier of 2
= 0.13970

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	7	divide by # with TD payments	46	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	7	divide by	Totals 46	=
				0.15217

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	2	divide by # with first PD	8	
# claims with late first VRMA	1	divide by # with first VRMA	3	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	3	divide by	Totals 11	=
				0.27273

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 10 divide by # with subsequent payments 30 = 0.33333

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	6	divide by # requiring notices	36	
# claims with VR potential eligibility notice violations	1	divide by # requiring notices	5	
Totals	7		Totals 41	
				= 0.17073

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.06866

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-13-05-R1-5

Subject: Intercare Insurance Services

Location: Roseville

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$616.00	\$1,298.88				\$1,914.88
2				\$111.66			\$111.66
3	\$542.96			\$129.00		\$83.75	\$755.71
4				\$464.00			\$464.00
5				\$32.36			\$32.36
6	\$41.14			\$4.11			\$45.25
7				\$87.96			\$87.96
8				\$78.39			\$78.39
TOTAL	\$584.10	\$616.00	\$1,298.88	\$907.48	\$0.00	\$83.75	\$3,490.21

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	49
Indemnity	48
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: SAC-13-05-R1-5

Subject: Intercare Insurance Services

Location: Roseville

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	7	\$2,225	\$2,225	\$0	\$0		x
2	2	\$200	\$200	\$0	\$0		x
3	1	\$300	\$300	\$0	\$0		x
4	14	\$2,610	\$2,610	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	1	\$400	\$400	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	6	\$2,000	\$2,000	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$200	\$200	\$0	\$0		x
18 b	1	\$400	\$400	\$0	\$0		x
18 c	1	\$3,000	\$3,000	\$0	\$0		x
18 d	12	\$950	\$950	\$0	\$0		x
18 e	1	\$5,000	\$5,000	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	47	\$17,285	\$17,285	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-07-05-R1-5

Subject: Keenan and Associates

Location: Rancho Cordova

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 8 divide by # claims with payable indem 58 = 0.13793

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 14,259.71 divide by # of claims with obligation to pay indem. 58
 Avg Unpd Ind = \$ 245.86

C. Severity Rate

Avg Unpd Indem \$ 245.86 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.45185

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.13793 X Severity rate 1.45185 X modifier of 2
 = 0.40051

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	3	divide by # with TD payments	11	
# claims with late first SC notice	19	divide by # with salary continuation	40	
Totals	22	divide by	Totals 51	=

0.43137

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	10	divide by # with first PD	30	
# claims with late first VRMA	0	divide by # with first VRMA	9	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	10	divide by	Totals 39	=

0.25641

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 3 divide by # with subsequent payments 38 = 0.07895

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	15	divide by # requiring notices	38	
# claims with VR potential eligibility notice violations	10	divide by # requiring notices	14	
Totals	25	Totals	52	=

0.48077

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.64801

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-07-05-R1-5

Subject: Keenan & Associates

Location: Rancho Cordova

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$166.81						\$166.81
2				\$79.50		\$9.27	\$88.77
3				\$13.21			\$13.21
4		\$3,595.10		\$359.51			\$3,954.61
5				\$1,527.57			\$1,527.57
6		\$5,489.64		\$743.68			\$6,233.32
7				\$474.01			\$474.01
8				\$28.00		\$11.88	\$39.88
9	\$684.00			\$902.86		\$214.55	\$1,801.41
TOTAL	\$850.81	\$9,084.74	\$0.00	\$4,128.34	\$0.00	\$235.70	\$14,299.59

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	59
Indemnity	58
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: SAC-07-05-R1-5

Subject: Keenan and Associates

Location: Rancho Cordova Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	4	\$2,175	\$2,175	\$0	\$0		x
2	11	\$6,275	\$6,275	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	10	\$4,305	\$4,305	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	19	\$855	\$855	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	10	\$2,500	\$2,500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	15	\$4,500	\$4,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	2	\$400	\$400	\$0	\$0		x
18 b	2	\$2,500	\$2,500	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	8	\$1,150	\$1,150	\$0	\$0		x
18 e	1	\$100	\$100	\$0	\$0		x
18 f	2	\$1,000	\$1,000	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	84	\$25,760	\$25,760	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	116
Indemnity	116
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SFO-12-05-R2-5

Subject: Matrix Absence Management, Inc.

Location: San Jose

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	28	\$10,175	\$0	\$10,175	\$0		x
2	20	\$5,890	\$0	\$5,890	\$0		x
3	1	\$300	\$0	\$300	\$0		x
4	60	\$19,955	\$1,500	\$18,455	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	4	\$230	\$230	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	8	\$2,500	\$2,500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	35	\$13,600	\$13,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$10,800	\$0	\$10,800	\$0		x
18 b	6	\$6,400	\$0	\$6,400	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	22	\$4,975	\$0	\$4,975	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	190	\$74,825	\$17,830	\$56,995	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: LAO-05-05-R2-3

Subject: Liberty Mutual Insurance Group and Helmsman Management Services

Location: Orange

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 23 divide by # claims with payable indem 133 = 0.17293

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 52,700.93 divide by # of claims with obligation to pay indem. 133
Avg Unpd Ind = \$ 396.25

C. Severity Rate

Avg Unpd Ind. \$ 396.25 divide by avg unpd indem 2001-2003 of \$ 169.34 = 2.33995

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.17293 X Severity rate 2.33995 X modifier of 2
= 0.80931

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	29	divide by # with TD payments	124	
# claims with late first SC notice	0	divide by # with salary continuation	1	
Totals	29	divide by	Totals 125	=
				0.23200

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	12	divide by # with first PD	58	
# claims with late first VRMA	3	divide by # with first VRMA	22	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	15	divide by	Totals 80	=
				0.18750

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 28 divide by # with subseq payments 107 = 0.26168

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	15	divide by # requiring notices	109	
# claims with VR potential eligibilty notice violations	24	divide by # requiring notices	35	
Totals	39		Totals 144	
				= 0.27083

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 1.76132

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Audit No: LAO-05-05-R2-3

Subject: Liberty Mutual Insurance Grp and Helmsman Management Services

Location: Orange

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-Imposed Increase	Death Benefits	Penalty, Interest, or Other	Total
1				\$279.84			\$279.84
2				\$108.21			\$108.21
3				\$148.26			\$148.26
4	\$501.05						\$501.05
5				\$1,117.93			\$1,117.93
6	\$70.00			\$7.00			\$77.00
7		\$19,107.86		\$1,910.79			\$21,018.65
8				\$269.57			\$269.57
9			\$6,058.11				\$6,058.11
10	\$103.34		\$1,914.29				\$2,017.63
11	\$900.64			\$90.06			\$990.70
12	\$73.18						\$73.18
13	\$144.77		\$986.70	\$156.51			\$1,287.98
14	\$428.00	\$3,142.86					\$3,570.86
15		\$2,081.25					\$2,081.25
16	\$23.20						\$23.20
17	\$1,054.40			\$249.32			\$1,303.72
18		\$5,574.62					\$5,574.62
19	\$879.91						\$879.91
20	\$117.32			\$11.73			\$129.05
21		\$2,220.00					\$2,220.00
SUBTOTAL	\$4,295.81	\$32,126.59	\$8,959.10	\$4,349.22	\$0.00	\$0.00	\$49,730.72

Calendar Year: 2005
Notices of Compensation Due

Audit No: LAO-05-05-R2-3

Subject: Liberty Mutual Ins Grp and Helmsman Management Services

Location: Orange

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-Imposed Increase	Death Benefits	Penalty, Interest, or Other	Total
22				\$266.35			\$266.35
23	\$2,458.05			\$245.81			\$2,703.86
24				\$143.45			\$143.45
Page 2 SUBTOTAL	\$2,458.05	\$0.00	\$0.00	\$655.61	\$0.00	\$0.00	\$3,113.66
Page 1 SUBTOTAL	\$4,295.81	\$32,126.59	\$8,959.10	\$4,349.22	\$0.00	\$0.00	\$49,730.72
TOTAL	\$6,753.86	\$32,126.59	\$8,959.10	\$5,004.83	\$0.00	\$0.00	\$52,844.38

Calendar Year: 2005
Penalty Assessments and Collections

Individual Exhibit 3

Files Audited:	140
Indemnity	133
Medical Only	0
Denied	0
Complaints	7
Additional	0

Audit No: LAO-05-05-R2-3

Subject: Liberty Mutual Ins Grp and Helmsman Mgmt Svcs

Location: Orange

Type: INS & TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	42	\$16,700	\$0	\$16,700	\$0		x
2	13	\$6,790	\$0	\$6,790	\$0		x
3	3	\$4,875	\$0	\$4,875	\$0		x
4	55	\$13,930	\$50	\$13,880	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	26	\$10,000	\$10,000	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	15	\$6,100	\$6,100	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	13	\$8,900	\$0	\$8,900	\$0		x
18 b	6	\$10,900	\$0	\$10,900	\$0		x
18 c	2	\$3,000	\$0	\$3,000	\$0		x
18 d	20	\$4,800	\$0	\$4,800	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	195	\$85,995	\$16,150	\$69,845	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-15-05-R2-3

Subject: Liberty Mutual Insurance Group and Helmsman Management Services

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 14 divide by # claims with payable indem 59 = 0.23729

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 8,048.39 divide by # of claims with obligation to pay indem. 59
 Avg Unpd Ind = \$ 136.41

C. Severity Rate

Avg Unpd Indem \$ 136.41 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.80556

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.23729 X Severity rate 0.80556 X modifier of 2
 = **0.38230**

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	20	divide by # with TD payments	54	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	20	divide by	Totals	54
				=
				0.37037

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	8	divide by # with first PD	21	
# claims with late first VRMA	0	divide by # with first VRMA	6	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	8	divide by	Totals	27
				=
				0.29630

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 19 divide by # with subsequent payments 41 =
0.46341

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	10	divide by # requiring notices	44	
# claims with VR potential eligibility notice violations	4	divide by # requiring notices	11	
Totals	14	Totals	55	
				=
				0.25455

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

1.76693

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: SAC-15-05-R2-3

Subject: Liberty Mutual Insurance Group and Helmsman Management Services

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 32 divide by # claims with payable indem 137 = 0.23358

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 34,627.26 divide by # of claims with obligation to pay indem. 137
Avg Unpd Ind = \$ 252.75

C. Severity Rate

Avg Unpd Ind. \$ 252.75 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.49258

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.23358 X Severity rate 1.49258 X modifier of 2
= 0.69726

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	37	divide by # with TD payments	125	
# claims with late first SC notice	0	divide by # with salary continuation	3	
Totals	37	divide by	Totals 128	= 0.28906

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	14	divide by # with first PD	55	
# claims with late first VRMA	1	divide by # with first VRMA	15	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	15	divide by	Totals 70	= 0.21429

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 32 divide by # with subseq payments 106 = 0.30189

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	30	divide by # requiring notices	102	
# claims with VR potential eligibilty notice violations	16	divide by # requiring notices	31	
Totals	46		Totals 133	= 0.34586

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 1.84836

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Audit No: SAC-15-05-R2-3

Subject: Liberty Mutual Insurance and Helmsman Management Services

Location: Sacramento

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$19.33						\$19.33
2		\$5,419.00		\$541.90			\$5,960.90
3	\$423.36						\$423.36
4				\$32.39			\$32.39
5	\$1,205.56			\$130.96			\$1,336.52
6		\$2,112.26		\$211.23			\$2,323.49
7		\$1,914.29		\$482.09			\$2,396.38
8				\$97.78			\$97.78
9	\$249.56						\$249.56
10		\$1,717.86					\$1,717.86
11		\$6,570.50		\$776.05			\$7,346.55
12	\$104.00						\$104.00
13	\$201.68						\$201.68
14	\$1,298.17			\$129.81			\$1,427.98
15		\$1,098.00				\$35.68	\$1,133.68
16	\$20.00			\$2.00			\$22.00
17	\$164.56			\$120.67			\$285.23
18	\$15.24						\$15.24
19				\$483.64			\$483.64
20	\$169.16			\$16.92			\$186.08
21	\$1,789.20						\$1,789.20
SUBTOTAL	\$5,659.82	\$18,831.91	\$0.00	\$3,025.44	\$0.00	\$35.68	\$27,552.85

Calendar Year: 2005
Notices of Compensation Due

Audit No: SAC-15-05-R2-3

Subject: Liberty Mutual Insurance and Helmsman Management Services

Location: Sacramento

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22	\$308.18	\$800.00					\$1,108.18
23	\$753.01			\$75.30			\$828.31
24				\$105.02			\$105.02
25	\$64.74			\$5.89			\$70.63
26	\$367.29			\$24.30			\$391.59
27		\$327.76		\$910.72			\$1,238.48
28			\$657.43				\$657.43
29		\$2,156.15		\$341.62			\$2,497.77
30	\$1,040.00			\$104.00		\$104.80	\$1,248.80
31	\$22.15						\$22.15
32	\$64.14						\$64.14
33				\$100.00			\$100.00
34	\$207.55			\$20.75			\$228.30
35	\$187.92	\$2,460.00	\$6,577.58				\$9,225.50
36	\$910.10			\$91.01			\$1,001.11
Page 2 SUBTOTAL	\$3,925.08	\$5,743.91	\$7,235.01	\$1,778.61	\$0.00	\$104.80	\$18,787.41
Page 1 SUBTOTAL	\$5,659.82	\$18,831.91	\$0.00	\$3,025.44	\$0.00	\$35.68	\$27,552.85
TOTAL	\$9,584.90	\$24,575.82	\$7,235.01	\$4,804.05	\$0.00	\$140.48	\$46,340.26

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	153
Indemnity	137
Medical Only	0
Denied	0
Complaints	17
Additional	0

Audit No: SAC-15-05-R2-3

Subject: Liberty Mutual Ins Grp and Helmsman Mgmt Svcs

Location: Sacramento

Type: INS & TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	38	\$11,850	\$0	\$11,850	\$0		x
2	18	\$5,420	\$0	\$5,420	\$0		x
3	1	\$800	\$0	\$800	\$0		x
4	46	\$12,130	\$990	\$11,140	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	20	\$6,100	\$6,100	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	31	\$9,700	\$9,700	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	23	\$10,600	\$0	\$10,600	\$0		x
18 b	9	\$7,200	\$0	\$7,200	\$0		x
18 c	1	\$1,500	\$0	\$1,500	\$0		x
18 d	21	\$3,325	\$0	\$3,325	\$0		x
18 e	1	\$1,200	\$0	\$1,200	\$0		x
18 f	3	\$2,500	\$0	\$2,500	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	212	\$72,325	\$16,790	\$55,535	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: VNO-01-05-R1-2

Subject: Macy's West, Inc.

Location: Pasadena

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$180.04			\$180.04
2	\$71.58						\$71.58
3	\$144.00						\$144.00
4	\$946.22			\$108.19			\$1,054.41
5				\$252.00			\$252.00
6				\$72.36			\$72.36
7		\$384.66		\$38.47			\$423.13
8				\$75.88			\$75.88
9				\$266.00			\$266.00
10				\$70.20			\$70.20
TOTAL	\$1,161.80	\$384.66	\$0.00	\$1,063.14	\$0.00	\$0.00	\$2,609.60

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	56
Indemnity	56
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: VNO-01-05-R1-2

Subject: Macy's West, Inc.

Location: Pasadena

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	14	\$5,390	\$5,390	\$0	\$0		x
2	6	\$1,325	\$1,325	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	24	\$7,325	\$7,325	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	14	\$4,500	\$4,500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	7	\$2,700	\$2,700	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	3	\$2,200	\$2,200	\$0	\$0		x
18 b	1	\$200	\$200	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	6	\$1,100	\$1,100	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	75	\$24,740	\$24,740	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: OAK-05-05-R1-1

Subject: Majestic Insurance Company

Location: San Francisco

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 10 divide by # claims with payable indem 55 = 0.18182

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 7,417.35 divide by # of claims with obligation to pay indem. 55
 Avg Unpd Ind = \$ 134.86

C. Severity Rate

Avg Unpd Indem \$ 134.86 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.79639

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.18182 X Severity rate 0.79639 X modifier of 2
 = 0.28960

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	12	divide by # with TD payments	51	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	12	divide by	Totals	51
				=
				0.23529

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	3	divide by # with first PD	23	
# claims with late first VRMA	1	divide by # with first VRMA	5	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	4	divide by	Totals	28
				=
				0.14286

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 11 divide by # with subsequent payments 40 = 0.27500

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	6	divide by # requiring notices	32	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	9	
Totals	8	Totals	41	
				=
				0.19512

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 **1.13787**

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-05-05-R1-1

Subject: Majestic Insurance

Location: San Francisco

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$141.10						\$141.10
2	\$18.09						\$18.09
3	\$92.49						\$92.49
4	\$320.08						\$320.08
5	\$172.00			\$129.00			\$301.00
6	\$3,780.00						\$3,780.00
7	\$2,108.27			\$210.83			\$2,319.10
8				\$221.31			\$221.31
9				\$75.60			\$75.60
10	\$148.58						\$148.58
TOTAL	\$6,780.61	\$0.00	\$0.00	\$636.74	\$0.00	\$0.00	\$7,417.35

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	55
Indemnity	55
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: OAK-05-05-R1-1

Subject: Majestic Insurance Company

Location: San Francisco

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	14	\$2,085	\$2,085	\$0	\$0		x
2	3	\$1,220	\$1,220	\$0	\$0		x
3	1	\$100	\$100	\$0	\$0		x
4	19	\$1,925	\$1,925	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$700	\$700	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	7	\$3,200	\$3,200	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	9	\$6,200	\$6,200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	6	\$700	\$700	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	61	\$16,130	\$16,130	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-12-05-R2-1

Subject: Matrix Absence Management, Inc.

Location: San Jose

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 11 divide by # claims with payable indem 55 = 0.20000

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 20,537.31 divide by # of claims with obligation to pay indem. 55
Avg Unpd Ind = \$ 373.41

C. Severity Rate

Avg Unpd Indem \$ 373.41 divide by avg unpd indem 2001-2003 of \$ 169.34 = 2.20506

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.20000 X Severity rate 2.20506 X modifier of 2
= 0.88203

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	10	divide by # with TD payments	38	
# claims with late first SC notice	0	divide by # with salary continuation	2	
Totals	10	divide by	Totals 40	=

0.25000

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	8	divide by # with first PD	27	
# claims with late first VRMA	0	divide by # with first VRMA	5	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	8	divide by	Totals 32	=

0.25000

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 15 divide by # with subsequent payments 39 =
0.38462

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	14	divide by # requiring notices	32	
# claims with VR potential eligibility notice violations	7	divide by # requiring notices	8	
Totals	21		Totals 40	

= 0.52500

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.29164

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: SFO-12-05-R2-1

Subject: Matrix Absence Management, Inc.

Location: San Jose

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 24 divide by # claims with payable indem 116 = 0.20690

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 34,855.92 divide by # of claims with obligation to pay indem. 116
Avg Unpd Ind = \$ 300.48

C. Severity Rate

Avg Unpd Ind. \$ 300.48 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.77443

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.20690 X Severity rate 1.77443 X modifier of 2
= 0.73425

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	23	divide by # with TD payments	83	
# claims with late first SC notice	3	divide by # with salary continuation	9	
Totals	26	divide by	Totals 92	=
				0.28261

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	20	divide by # with first PD	58	
# claims with late first VRMA	1	divide by # with first VRMA	10	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	21	divide by	Totals 68	=
				0.30882

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 28 divide by # with subseq payments 77 =
0.36364

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	34	divide by # requiring notices	73	
# claims with VR potential eligibilty notice violations	10	divide by # requiring notices	13	
Totals	44		Totals 86	
				=
				0.51163

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 2.20094

Full Compliance Audit Performance Rating for indemnity and denied files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Audit No: SFO-12-05-R2-1

Subject: Matrix Absence Management, Inc.

Location: San Jose

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22				\$166.50			\$166.50
23	\$25.14						\$25.14
24	\$5,124.00						\$5,124.00
Page 2 SUBTOTAL	\$5,149.14	\$0.00	\$0.00	\$166.50	\$0.00	\$0.00	\$5,315.64
Page 1 SUBTOTAL	\$2,637.52	\$21,916.02	\$0.00	\$4,986.74	\$0.00	\$0.00	\$29,540.28
TOTAL	\$7,786.66	\$21,916.02	\$0.00	\$5,153.24	\$0.00	\$0.00	\$34,855.92

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-08-05-R1-5

Subject: Octagon Risk Services

Location: Oakland

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 3 divide by # claims with payable indem 57 = 0.05263

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 8,207.05 divide by # of claims with obligation to pay indem. 57
Avg Unpd Ind = \$ 143.98

C. Severity Rate

Avg Unpd Indem \$ 143.98 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.85026

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.05263 X Severity rate 0.85026 X modifier of 2
= 0.08950

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	2	divide by # with TD payments	48	
# claims with late first SC notice	2	divide by # with salary continuation	6	
Totals	4	divide by	Totals 54	=
				0.07407

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	19	
# claims with late first VRMA	0	divide by # with first VRMA	4	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals 23	=
				0.04348

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 4 divide by # with subsequent payments 37 = 0.10811

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	7	divide by # requiring notices	43	
# claims with VR potential eligibility notice violations	3	divide by # requiring notices	8	
Totals	10	Totals	51	
				= 0.19608

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.51124

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-08-05-R1-5

Subject: Octagon Risk Services

Location: Oakland

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$37.00			\$37.00
2	\$7,307.41			\$730.74			\$8,038.15
3				\$131.90			\$131.90
TOTAL	\$7,307.41	\$0.00	\$0.00	\$899.64	\$0.00	\$0.00	\$8,207.05

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	57
Indemnity	57
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SFO-08-05-R1-5

Subject: Octagon Risk Services

Location: Oakland

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	2	\$560	\$560	\$0	\$0		x
2	1	\$1,200	\$1,200	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	4	\$840	\$840	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	2	\$100	\$100	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$700	\$700	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	7	\$3,100	\$3,100	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$5,000	\$5,000	\$0	\$0		x
18 b	1	\$2,000	\$2,000	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$100	\$100	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	23	\$13,600	\$13,600	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-19-05-R1-5

Subject: Octagon Risk Services

Location: Stockton

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 11 divide by # claims with payable indem 45 = 0.24444

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 4,441.42 divide by # of claims with obligation to pay indem. 45
Avg Unpd Ind = \$ 98.70

C. Severity Rate

Avg Unpd Indem \$ 98.70 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.58284

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.24444 X Severity rate 0.58284 X modifier of 2
= 0.28494

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	6	divide by # with TD payments	40	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	6	divide by	Totals 40	=

0.15000

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	7	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals 24	=

0.04167

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 3 divide by # with subsequent payments 31 = 0.09677

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	11	divide by # requiring notices	34	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	8	
Totals	13	Totals	42	

= 0.30952

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.88291

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-10-05-R1-5

Subject: Octagon Risk Management

Location: Stockton

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$1,174.09		\$521.31	\$117.41			\$1,812.81
2	\$156.12			\$52.04			\$208.16
3				\$356.12			\$356.12
4	\$1,124.00			\$232.44			\$1,356.44
5	\$112.69			\$11.27			\$123.96
6	\$97.60			\$9.76			\$107.36
7				\$14.83			\$14.83
8	\$72.13						\$72.13
9		\$123.72		\$48.74			\$172.46
10				\$192.80			\$192.80
11				\$24.35			\$24.35
TOTAL	\$2,736.63	\$123.72	\$521.31	\$1,059.76	\$0.00	\$0.00	\$4,441.42

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	45
Indemnity	45
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-10-05-R1-5

Subject: Octagon Risk Services

Location: Stockton

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	8	\$4,975	\$4,975	\$0	\$0		x
2	1	\$1,200	\$1,200	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	8	\$1,680	\$1,680	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$500	\$500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	10	\$2,500	\$2,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	9	\$6,800	\$6,800	\$0	\$0		x
18 b	1	\$400	\$400	\$0	\$0		x
18 c	1	\$400	\$400	\$0	\$0		x
18 d	7	\$1,500	\$1,500	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	47	\$19,955	\$19,955	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-04-05-R1-5

Subject: Pinnacle Risk Management Services

Location: Roseville

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 11 divide by # claims with payable indem 46 = 0.23913

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 6,698.25 divide by # of claims with obligation to pay indem. 46
Avg Unpd Ind = \$ 145.61

C. Severity Rate

Avg Unpd Indem \$ 145.61 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.85989

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.23913 X Severity rate 0.85989 X modifier of 2
= 0.41125

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	16	divide by # with TD payments	43	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	16	divide by	Totals 43	=

0.37209

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	2	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals 19	=

0.05263

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 5 divide by # with subsequent payments 35 = 0.14286

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	6	divide by # requiring notices	25	
# claims with VR potential eligibility notice violations	6	divide by # requiring notices	11	
Totals	12	Totals	36	

= 0.33333

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.33333

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

1.31217

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No.: SAC-04-05-R1-5

Subject: Pinnacle Risk Management Services

Location: Roseville

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$3,625.34			\$362.53			\$3,987.87
2	\$89.19			\$47.78			\$136.97
3				\$145.60			\$145.60
4	\$31.92	\$1,600.00		\$162.17			\$1,794.09
5	\$76.39			\$7.63			\$84.02
6	\$38.65			\$3.87			\$42.52
7				\$23.44			\$23.44
8				\$146.40			\$146.40
9	\$160.12			\$16.01			\$176.13
10				\$40.00		\$35.29	\$75.29
11	\$85.92						\$85.92
TOTAL	\$4,107.53	\$1,600.00	\$0.00	\$955.43	\$0.00	\$35.29	\$6,698.25

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	46
Indemnity	46
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-04-05-R1-5

Subject: Pinnacle Risk Management Services

Location: Roseville

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	15	\$11,220	\$11,220	\$0	\$0		x
2	1	\$320	\$320	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	6	\$705	\$705	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	6	\$2,200	\$2,200	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	6	\$2,300	\$2,300	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	8	\$6,500	\$6,500	\$0	\$0		x
18 b	1	\$400	\$400	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	5	\$625	\$625	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	1	\$500	\$500	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	49	\$24,770	\$24,770	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 25 divide by # claims with payable indem 57 = 0.43860

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$69,170.08 divide by # of claims with obligation to pay indem. 57
 Avg Unpd Ind = \$ 1,213.51

C. Severity Rate

Avg Unpd Indem \$ 1,213.51 divide by avg unpd indem 2001-2003 of \$ 169.34 = 7.16612

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.43860 X Severity rate 7.16612 X modifier of 2
 = **6.28607**

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	25	divide by # with TD payments	52	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	25	divide by	Totals 52	=
				0.48077

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	7	divide by # with first PD	23	
# claims with late first VRMA	0	divide by # with first VRMA	3	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	7	divide by	Totals 26	=
				0.26923

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 14 divide by # with subsequent payments 38 =
0.36842

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	20	divide by # requiring notices	41	
# claims with VR potential eligibility notice violations	8	divide by # requiring notices	12	
Totals	28		Totals 53	
				=
				0.52830

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 **7.93279**

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indemr 55 divide by # claims with payable indem 127 = 0.43307

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$132,534.23 divide by # of claims with obligation to pay indem. 127
 Avg Unpd Ind = \$ 1,043.58

C. Severity Rate

Avg Unpd Indem \$ 1,043.58 divide by avg unpd indem 2001-2003 of \$ 169.34 = 6.16261

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.43307 X Severity rate 6.16261 X modifier of 2
 = **5.33769**

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	55	divide by # with TD payments	115	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	55	divide by	Totals	115
				=
				0.47826

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	19	divide by # with first PD	58	
# claims with late first VRMA	1	divide by # with first VRMA	9	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	20	divide by	Totals	67
				=
				0.29851

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 39 divide by # with subsequent payments 91 =
0.42857

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	56	divide by # requiring notices	101	
# claims with VR potential eligibility notice violations	24	divide by # requiring notices	36	
Totals	80	Totals	137	
				=
				0.58394

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 **7.12698**

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 51 divide by # claims with payable indem 133 = 0.38346

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$ 107,191.34 divide by # of claims with obligation to pay indem. 133
 Avg Unpd Ind = \$ 805.95

C. Severity Rate

Avg Unpd Ind. \$ 805.95 divide by avg unpd indem 2001-2003 of \$ 169.34 = 4.75936

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.38346 X Severity rate 4.75936 X modifier of 2
 = **3.65004**

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	51	divide by # with TD payments	119	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	51	divide by	Totals 119	=
				0.42857

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	19	divide by # with first PD	64	
# claims with late first VRMA	1	divide by # with first VRMA	13	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	20	divide by	Totals 77	=
				0.25974

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 40 divide by # with subseq payments 94 =
0.42553

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	58	divide by # requiring notices	107	
# claims with VR potential eligibilty notice violations	25	divide by # requiring notices	39	
Totals	83	Totals	146	
				=
				0.56849

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005 **5.33237**

Full Compliance Audit Performance Rating for indemnity and denied files of 2.47632 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$4,757.86		\$475.79			\$5,233.65
2	\$2,480.25			\$248.02			\$2,728.27
3	\$1,458.82			\$199.99			\$1,658.81
4				\$277.78			\$277.78
5	\$1,003.64			\$100.36			\$1,104.00
6		\$1,291.00		\$129.10			\$1,420.10
7	\$1,967.21			\$623.95			\$2,591.16
8	\$438.60			\$226.06			\$664.66
9	\$688.00						\$688.00
10	\$298.71						\$298.71
11				\$28.00			\$28.00
12	\$875.65			\$87.56			\$963.21
13	\$404.35			\$7.16			\$411.51
14	\$210.00			\$468.80			\$678.80
15	\$14,794.39			\$1,735.34			\$16,529.73
16			\$13,922.70				\$13,922.70
17	\$1,910.42			\$191.04			\$2,101.46
18	\$210.00			\$14.00			\$224.00
19	\$70.00						\$70.00
20	\$138.09			\$424.94			\$563.03
21		\$2,015.02		\$201.50			\$2,216.52
SUBTOTAL	\$26,948.13	\$8,063.88	\$13,922.70	\$5,439.39	\$0.00	\$0.00	\$54,374.10

Calendar Year: 2005
Notices of Compensation Due

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22	\$1,338.37			\$546.64			\$1,885.01
23		\$2,206.29		\$244.42			\$2,450.71
24	\$3,078.84	\$48.57		\$312.73			\$3,440.14
25	\$1,144.00	\$29.71		\$117.37			\$1,291.08
26		\$2,184.70		\$316.47			\$2,501.17
27		\$2,856.00		\$285.60			\$3,141.60
28		\$187.43		\$61.86			\$249.29
29		\$4,827.14		\$555.57			\$5,382.71
30	\$597.07						\$597.07
31	\$1,135.72			\$315.84			\$1,451.56
32	\$223.30			\$17.86			\$241.16
33				\$98.00			\$98.00
34	\$92.57	\$1,392.26		\$148.49			\$1,633.32
35	\$3,172.91			\$292.04			\$3,464.95
36				\$111.27			\$111.27
37	\$8,138.74			\$1,386.15			\$9,524.89
38				\$125.00			\$125.00
39			\$4,779.21				\$4,779.21
40	\$210.00			\$182.00			\$392.00
41		\$2,102.00					\$2,102.00
42				\$64.90			\$64.90
Page 2 SUBTOTAL	\$19,131.52	\$15,834.10	\$4,779.21	\$5,182.21	\$0.00	\$0.00	\$44,927.04
Page 1 SUBTOTAL	\$26,948.13	\$8,063.88	\$13,922.70	\$5,439.39	\$0.00	\$0.00	\$54,374.10
Pages 1 & 2 SUBTOTAL	\$46,079.65	\$23,897.98	\$18,701.91	\$10,621.60	\$0.00	\$0.00	\$99,301.14

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2
Page 3 of 3

Audit No: LAO-04-05-R3-6

Subject: PTSC / MTA Risk Management Authority

Location: Los Angeles

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
43	\$210.00			\$21.00			\$231.00
44				\$84.00			\$84.00
45	\$124.99						\$124.99
46	\$140.02			\$14.00			\$154.02
47	\$10,471.88						\$10,471.88
48	\$14.54			\$1.45			\$15.99
49	\$222.85			\$22.28			\$245.13
50	\$210.00						\$210.00
51	\$278.40						\$278.40
52	\$630.00			\$224.00			\$854.00
Page 3 SUBTOTAL	\$12,302.68	\$0.00	\$0.00	\$366.73	\$0.00	\$0.00	\$12,669.41
Pages 1 & 2 SUBTOTAL	\$46,079.65	\$23,897.98	\$18,701.91	\$10,621.60	\$0.00	\$0.00	\$99,301.14
TOTAL	\$58,382.33	\$23,897.98	\$18,701.91	\$10,988.33	\$0.00	\$0.00	\$111,970.55

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	193
Indemnity	127
Medical Only	0
Denied	63
Complaints	3
Additional	0

Audit No: LAO-04-05-R3-6

Subject: PTSC/MTA Risk Mgmt Authority

Location: Los Angeles

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected*	Balance \$ Due	Appealed	
						Yes	No
1	55	\$17,419	\$0	\$17,419	\$0		x
2	18	\$12,377	\$0	\$12,377	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	137	\$14,659	\$3,025	\$11,634	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	150	\$17,640	\$0	\$17,640	\$0		x
7	101	\$6,597	\$0	\$6,597	\$0		x
8	1240	\$232,655	\$0	\$232,655	\$0		x
9	18	\$3,470	\$0	\$3,470	\$0		x
10	6	\$375	\$0	\$375	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	18	\$8,060	\$0	\$8,060	\$0		x
13	25	\$9,752	\$0	\$9,752	\$0		x
14	4	\$1,560	\$0	\$1,560	\$0		x
15	60	\$30,760	\$0	\$30,760	\$0		x
16	2	\$380	\$0	\$380	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	48	\$46,820	\$0	\$46,820	\$0		x
18 b	13	\$10,870	\$0	\$10,870	\$0		x
18 c	2	\$7,300	\$0	\$7,300	\$0		x
18 d	89	\$10,170	\$0	\$10,170	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	1	\$140	\$0	\$140	\$0		x
20 a	25	\$755	\$0	\$755	\$0		x
20 b	3	\$8,400	\$0	\$8,400	\$0		x
20 c	1	\$500	\$0	\$500	\$0		x
20 d	266	\$31,550	\$0	\$31,550	\$0		x
21	1	\$4,200	\$0	\$4,200	\$0		x
TOTAL	2283	\$476,409	\$3,025	\$473,384	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

*Administrative penalties modified by factor of 1.4 pursuant to Labor Code §129.5(c) and 8CCR §10111.2(c)(7).

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: OAK-06-05-R1-1

Subject: Republic American Insurance Group

Location: San Francisco

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 11 divide by # claims with payable indem 58 = 0.18966

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 1,836.68 divide by # of claims with obligation to pay indem. 58
 Avg Unpd Ind = \$ 31.67

C. Severity Rate

Avg Unpd Indem \$ 31.67 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.18700

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.18966 X Severity rate 0.18700 X modifier of 2
 = 0.07093

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	13	divide by # with TD payments	53	
# claims with late first SC notice	0	divide by # with salary continuation	1	
Totals	13	divide by	Totals	54 =
				0.24074

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	1	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals	18 =
				0.05556

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 8 divide by # with subsequent payments 33 =
0.24242

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	9	divide by # requiring notices	46	
# claims with VR potential eligibility notice violations	2	divide by # requiring notices	4	
Totals	11	Totals	50	
				= 0.22000

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.82965

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-06-05-R1-1

Subject: Republic American Insurance Group

Location: San Francisco

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$32.37						\$32.37
2	\$335.25						\$335.25
3	\$34.57						\$34.57
4	\$31.66						\$31.66
5	\$31.21						\$31.21
6	\$55.94						\$55.94
7	\$235.40						\$235.40
8	\$350.27						\$350.27
9	\$540.00						\$540.00
10				\$98.59			\$98.59
11	\$91.42						\$91.42
TOTAL	\$1,738.09	\$0.00	\$0.00	\$98.59	\$0.00	\$0.00	\$1,836.68

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	58
Indemnity	58
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: OAK-06-05-R1-1

Subject: Republic American Ins. Grp

Location: San Francisco Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	16	\$2,485	\$2,485	\$0	\$0		x
2	2	\$690	\$690	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	24	\$3,085	\$3,085	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$700	\$700	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	8	\$3,200	\$3,200	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	10	\$2,800	\$2,800	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	2	\$150	\$150	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	64	\$13,110	\$13,110	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-05-05-R1-6

Subject: Schools Insurance Authority

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 0 divide by # claims with payable indem 53 = 0.00000

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = divide by # of claims with obligation to pay indem. 53
Avg Unpd Ind = \$ -

C. Severity Rate

Avg Unpd Indem \$ - divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.00000

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.00000 X Severity rate 0.00000 X modifier of 2
= 0.00000

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	0	divide by # with TD payments	1	
# claims with late first SC notice	11	divide by # with salary continuation	51	
Totals	11	divide by	Totals 52	=
				0.21154

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	3	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	3	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	3	divide by	Totals 20	=
				0.15000

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 0 divide by # with subsequent payments 9 = 0.00000

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	5	divide by # requiring notices	47	
# claims with VR potential eligibility notice violations	4	divide by # requiring notices	5	
Totals	9		Totals 52	
				= 0.17308

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.53462

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	53
Indemnity	53
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-05-05-R1-6

Subject: Schools Insurance Authority

Location: Sacramento

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	0	\$0	\$0	\$0	\$0		x
2	2	\$75	\$75	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	1	\$125	\$125	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	11	\$355	\$355	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	4	\$1,000	\$1,000	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	5	\$1,200	\$1,200	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0	\$0		x
18 b	1	\$750	\$750	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	24	\$3,505	\$3,505	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-16-05-R2-3

Subject: Self-Insured Schools of California

Location: Bakersfield Type: SI & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$35.07			\$35.07
2				\$95.14			\$95.14
3		\$2,100.00		\$210.00			\$2,310.00
4				\$55.50			\$55.50
5				\$19.50			\$19.50
6				\$37.00			\$37.00
7				\$100.80			\$100.80
8		\$980.00		\$320.00			\$1,300.00
9				\$84.00			\$84.00
10				\$69.12			\$69.12
11		\$555.00		\$55.50			\$610.50
12	\$9,024.41	\$12,897.14		\$2,192.15			\$24,113.70
13		\$405.00		\$40.50			\$445.50
14		\$1,940.00		\$371.88			\$2,311.88
15				\$60.64			\$60.64
16				\$26.42			\$26.42
17			\$1,448.00				\$1,448.00
18				\$330.29			\$330.29
TOTAL	\$9,024.41	\$18,877.14	\$1,448.00	\$4,103.51	\$0.00	\$0.00	\$33,453.06

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	123
Indemnity	123
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-16-05-R2-3

Subject: Self-Insured Schools of California

Location: Bakersfield

Type: SI & TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	18	\$9,295	\$0	\$9,295	\$0		x
2	13	\$4,920	\$0	\$4,920	\$0		x
3	3	\$1,050	\$0	\$1,050	\$0		x
4	43	\$11,665	\$1,825	\$9,840	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	47	\$2,330	\$2,330	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	5	\$1,800	\$1,800	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	23	\$8,300	\$8,300	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$5,000	\$0	\$5,000	\$0		x
18 b	8	\$5,700	\$0	\$5,700	\$0		x
18 c	1	\$1,000	\$0	\$1,000	\$0		x
18 d	14	\$2,625	\$0	\$2,625	\$0		x
18 e	1	\$500	\$0	\$500	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	177	\$54,185	\$14,255	\$39,930	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: VNO-04-05-R2-5

Subject: Southern California Risk Management Associates, Inc.

Location: Valecia

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$1,665.00		\$166.50			\$1,831.50
2				\$210.00			\$210.00
3				\$27.00			\$27.00
4	\$1,252.25						\$1,252.25
5	\$7,382.72			\$738.27			\$8,120.99
6		\$4,000.00		\$400.00			\$4,400.00
7	\$5,689.54		\$424.58	\$846.45			\$6,960.57
8	\$974.86			\$156.36			\$1,131.22
9				\$53.68			\$53.68
10				\$22.86			\$22.86
11	\$36.00			\$3.60			\$39.60
12	\$1,441.53	\$574.96		\$201.65			\$2,218.14
13	\$252.00						\$252.00
14		\$2,616.43					\$2,616.43
15	\$2,127.49			\$212.75			\$2,340.24
TOTAL	\$19,156.39	\$8,856.39	\$424.58	\$3,039.12	\$0.00	\$0.00	\$31,476.48

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	118
Indemnity	118
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: VNO-04-05-R2-5

Subject: Southern California Risk Management Associates, Inc.

Location: Valencia Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	10	\$9,130	\$0	\$9,130	\$0		x
2	11	\$8,285	\$0	\$8,285	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	12	\$8,900	\$200	\$8,700	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	40	\$2,190	\$2,190	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	7	\$2,600	\$2,600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$4,400	\$4,400	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	14	\$16,900	\$0	\$16,900	\$0		x
18 b	4	\$3,300	\$0	\$3,300	\$0		x
18 c	1	\$1,000	\$0	\$1,000	\$0		x
18 d	7	\$1,500	\$0	\$1,500	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	117	\$58,205	\$9,390	\$48,815	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: OAK-01-05-R1-3

Subject: St Paul Travelers

Location: Walnut Creek

Type: INS & TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$63.81						\$63.81
2				\$23.83			\$23.83
3	\$265.97			\$26.60			\$292.57
4	\$676.64			\$31.20			\$707.84
5	\$38.12						\$38.12
6	\$77.97						\$77.97
7		\$5,212.07					\$5,212.07
TOTAL	\$1,122.51	\$5,212.07	\$0.00	\$81.63	\$0.00	\$0.00	\$6,416.21

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	63
Indemnity	58
Medical Only	0
Denied	0
Complaints	5
Additional	0

Audit No: OAK-01-05-R1-3

Subject: St Paul Travelers

Location: Walnut Creek

Type: INS & TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	10	\$7,030	\$7,030	\$0	\$0		x
2	4	\$1,880	\$1,880	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	3	\$1,075	\$1,075	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	3	\$130	\$130	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$600	\$600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	12	\$4,300	\$4,300	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	5	\$1,400	\$1,400	\$0	\$0		x
18 b	2	\$1,900	\$1,900	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	1	\$150	\$150	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	43	\$18,465	\$18,465	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: LAO-06-05-R1-1

Subject: State Compensation Insurance Fund

Location: Glendale

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 10 divide by # claims with payable indem 59 = 0.16949

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 8,246.44 divide by # of claims with obligation to pay indem. 59
 Avg Unpd Ind = \$ 139.77

C. Severity Rate

Avg Unpd Indem \$ 139.77 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.82538

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.16949 X Severity rate 0.82538 X modifier of 2
 = 0.27979

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	19	divide by # with TD payments	57	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	19	divide by	57	=
				0.33333

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	3	divide by # with first PD	27	
# claims with late first VRMA	2	divide by # with first VRMA	18	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	5	divide by	45	=
				0.11111

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 20 divide by # with subsequent payments 47 =
0.42553

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	8	divide by # requiring notices	52	
# claims with VR potential eligibility notice violations	15	divide by # requiring notices	20	
Totals	23		72	
				=
				0.31944

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.46921

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: LAO-06-05-R1-1

Subject: State Compensation Insurance Fund

Location: Glendale

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-Imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$32.38						\$32.38
2	\$911.44			\$91.15			\$1,002.59
3			\$1,427.99			\$64.38	\$1,492.37
4				\$51.43			\$51.43
5	\$80.00						\$80.00
6				\$52.86			\$52.86
7	\$345.80	\$2,669.29					\$3,015.09
8	\$90.86						\$90.86
9				\$140.46			\$140.46
10				\$85.33			\$85.33
11			\$2,002.11	\$286.29			\$2,288.40
TOTAL	\$1,460.48	\$2,669.29	\$3,430.10	\$707.52	\$0.00	\$64.38	\$8,331.77

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	64
Indemnity	59
Medical Only	0
Denied	0
Complaints	5
Additional	0

Audit No: LAO-06-05-R1-1

Subject: State Compensation Insurance Fund

Location: Glendale

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	22	\$3,945	\$3,945	\$0	\$0		x
2	3	\$890	\$890	\$0	\$0		x
3	2	\$850	\$850	\$0	\$0		x
4	52	\$12,410	\$12,410	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	15	\$4,900	\$4,900	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	8	\$2,500	\$2,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$1,200	\$1,200	\$0	\$0		x
18 b	1	\$800	\$800	\$0	\$0		x
18 c	1	\$2,000	\$2,000	\$0	\$0		x
18 d	8	\$1,625	\$1,625	\$0	\$0		x
18 e	2	\$4,200	\$4,200	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	120	\$35,320	\$35,320	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	60
Indemnity	59
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: SFO-01-05-R1-1

Subject: State Compensation Insurance Fund

Location: San Francisco

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	5	\$1,575	\$1,575	\$0	\$0		x
2	1	\$160	\$160	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	3	\$1,090	\$1,090	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$600	\$600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	5	\$2,400	\$2,400	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	0	\$0	\$0	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	0	\$0	\$0	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	17	\$5,825	\$5,825	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-05-05-R1-1

Subject: State Compensation Insurance Fund

Location: San Jose

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 5 divide by # claims with payable indem 59 = 0.08475

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 9,495.53 divide by # of claims with obligation to pay indem. 59
Avg Unpd Ind = \$ 160.94

C. Severity Rate

Avg Unpd Indem \$ 160.94 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.95040

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.08475 X Severity rate 0.95040 X modifier of 2
= 0.16109

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	17	divide by # with TD payments	55	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	17	divide by	Totals 55	=
				0.30909

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	11	
# claims with late first VRMA	0	divide by # with first VRMA	4	
# claims with late first DB	0	divide by # with first DB paid	1	
Totals	1	divide by	Totals 16	=
				0.06250

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 5 divide by # with subsequent payments 39 = 0.12821

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	10	divide by # requiring notices	50	
# claims with VR potential eligibility notice violations	4	divide by # requiring notices	9	
Totals	14	Totals	59	
				=
				0.23729

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.89817

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-05-05-R1-1

Subject: State Compensation Insurance Fund

Location: San Jose

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$46.00			\$4.60			\$50.60
2	\$126.00						\$126.00
3		\$8,331.44		\$890.64			\$9,222.08
4	\$39.04			\$1.81			\$40.85
5				\$56.00			\$56.00
TOTAL	\$211.04	\$8,331.44	\$0.00	\$953.05	\$0.00	\$0.00	\$9,495.53

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	62
Indemnity	59
Medical Only	0
Denied	0
Complaints	3
Additional	0

Audit No: SFO-05-05-R1-1

Subject: State Compensation Insurance Fund

Location: San Jose

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total \$ Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	17	\$4,260	\$4,260	\$0	\$0		x
2	1	\$200	\$200	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	5	\$935	\$935	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	4	\$1,100	\$1,100	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	10	\$4,000	\$4,000	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	3	\$800	\$800	\$0	\$0		x
18 b	1	\$3,000	\$3,000	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	1	\$75	\$75	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	42	\$14,370	\$14,370	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: LAO-01-05-R1-1

Subject: State Compensation Insurance Fund

Location: Santa Ana

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$186.67						\$186.67
2	\$176.84	\$183.99		\$287.21			\$648.04
3				\$26.88			\$26.88
4		\$5,355.00		\$535.50			\$5,890.50
5		\$2,190.00		\$219.00			\$2,409.00
6	\$114.29						\$114.29
7	\$1,215.24			\$121.52			\$1,336.76
8				\$18.67			\$18.67
9				\$666.28			\$666.28
10				\$188.39			\$188.39
11	\$129.52						\$129.52
12	\$400.14			\$29.85			\$429.99
TOTAL	\$2,222.70	\$7,728.99	\$0.00	\$2,093.30	\$0.00	\$0.00	\$12,044.99

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	59
Indemnity	59
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: LAO-01-05-R1-1

Subject: State Compensation Insurance Fund

Location: Santa Ana

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	17	\$10,975	\$10,975	\$0	\$0		x
2	4	\$850	\$850	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	9	\$1,780	\$1,780	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	2	\$75	\$75	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	12	\$4,600	\$4,600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	18	\$5,600	\$5,600	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$2,600	\$2,600	\$0	\$0		x
18 b	3	\$2,200	\$2,200	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	10	\$1,800	\$1,800	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	81	\$30,480	\$30,480	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-09-05-R1-1

Subject: State Compensation Insurance Fund

Location: Santa Rosa

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 9 divide by # claims with payable indem 59 = 0.15254

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 9,651.80 divide by # of claims with obligation to pay indem. 59
Avg Unpd Ind = \$ 163.59

C. Severity Rate

Avg Unpd Indem \$ 163.59 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.96604

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.15254 X Severity rate 0.96604 X modifier of 2
= 0.29473

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	13	divide by # with TD payments	58	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	13	divide by	Totals 58	=
				0.22414

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	4	divide by # with first PD	23	
# claims with late first VRMA	2	divide by # with first VRMA	4	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	6	divide by	Totals 27	=
				0.22222

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 5 divide by # with subsequent payments 47 = 0.10638

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	12	divide by # requiring notices	42	
# claims with VR potential eligibility notice violations	5	divide by # requiring notices	10	
Totals	17	Totals	52	
				= 0.32692

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.17439

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-09-05-R1-1

Subject: State Compensation Insurance Fund

Location: Santa Rosa

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$227.95			\$35.29			\$263.24
2	\$643.57					\$39.85	\$683.42
3	\$261.87			\$23.15			\$285.02
4			\$2,257.59			\$307.86	\$2,565.45
5				\$50.00			\$50.00
6	\$91.41						\$91.41
7	\$376.90			\$26.31			\$403.21
8				\$34.29			\$34.29
9		\$4,796.15		\$479.61			\$5,275.76
TOTAL	\$1,601.70	\$4,796.15	\$2,257.59	\$648.65	\$0.00	\$347.71	\$9,651.80

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: VNO-05-05-R1-5

Subject: State Compensation Insurance Fund (State Contract Claims)

Location: Commerce

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$155.32						\$155.32
2	\$210.00			\$21.86			\$231.86
3	\$101.06						\$101.06
4				\$122.37			\$122.37
5				\$18.50			\$18.50
6	\$96.70						\$96.70
7	\$296.71						\$296.71
8	\$1,189.52						\$1,189.52
9				\$12.00			
TOTAL	\$2,049.31	\$0.00	\$0.00	\$174.73	\$0.00	\$0.00	\$2,224.04

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	61
Indemnity	58
Medical Only	0
Denied	0
Complaints	0
Additional	3

Audit No: VNO-05-05-R1-5

**Subject: State Compensation Insurance Fund
(State Contract Claims)**

Location: Commerce

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	5	\$1,250	\$1,250	\$0	\$0		x
2	7	\$2,075	\$2,075	\$0	\$0		x
3	1	\$75	\$75	\$0	\$0		x
4	7	\$1,185	\$1,185	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	28	\$1,715	\$1,715	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	5	\$1,500	\$1,500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	8	\$3,300	\$3,300	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	7	\$1,650	\$1,650	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	4	\$350	\$350	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	72	\$13,100	\$13,100	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-08-05-R1-5

Subject: State Compensation Insurance Fund (State Contract Claims)

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 6 divide by # claims with payable indem 58 = 0.10345

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 6,454.19 divide by # of claims with obligation to pay indem. 58
Avg Unpd Ind = \$ 111.28

C. Severity Rate

Avg Unpd Indem \$ 111.28 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.65713

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.10345 X Severity rate 0.65713 X modifier of 2
= 0.13596

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	2	divide by # with TD payments	9	
# claims with late first SC notice	11	divide by # with salary continuation	45	
Totals	13	divide by	Totals 54	=
				0.24074

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	6	divide by # with first PD	25	
# claims with late first VRMA	1	divide by # with first VRMA	4	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	7	divide by	Totals 29	=
				0.24138

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 5 divide by # with subsequent payments 27 = 0.18519

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	11	divide by # requiring notices	41	
# claims with VR potential eligibility notice violations	9	divide by # requiring notices	14	
Totals	20	Totals	55	
				= 0.36364

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.16690

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-08-05-R1-5

Subject: State Compensation Insurance Fund (State Contract Claims)

Location: Sacramento

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$90.00			\$90.00
2		\$478.57		\$357.29			\$835.86
3				\$1,284.57			\$1,284.57
4				\$77.71			\$77.71
5		\$3,570.00		\$357.00		\$204.69	\$4,131.69
6				\$34.36			\$34.36
TOTAL	\$0.00	\$4,048.57	\$0.00	\$2,200.93	\$0.00	\$204.69	\$6,454.19

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	60
Indemnity	58
Medical Only	0
Denied	0
Complaints	2
Additional	0

Audit No: SAC-08-05-R1-5

**Subject: State Compensation Insurance Fund
(State Contract Claims)**

Location: Sacramento Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	3	\$750	\$750	\$0	\$0		x
2	7	\$700	\$700	\$0	\$0		x
3	1	\$50	\$50	\$0	\$0		x
4	13	\$1,760	\$1,760	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	2	\$200	\$200	\$0	\$0		x
7	11	\$450	\$450	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	9	\$2,500	\$2,500	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	11	\$3,800	\$3,800	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$100	\$100	\$0	\$0		x
18 b	3	\$1,150	\$1,150	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	11	\$1,425	\$1,425	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	72	\$12,885	\$12,885	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SAC-03-05-R1-5

Subject: SCIF- Claims Management Service

Location: Sacramento

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 5 divide by # claims with payable indem 51 = 0.09804

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 517.07 divide by # of claims with obligation to pay indem. 51
Avg Unpd Ind = \$ 10.14

C. Severity Rate

Avg Unpd Indem \$ 10.14 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.05987

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.09804 X Severity rate 0.05987 X modifier of 2
= 0.01174

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	4	divide by # with TD payments	45	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	4	divide by	Totals 45	=
				0.08889

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	1	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	0	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	1	divide by	Totals 17	=
				0.05882

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 3 divide by # with subsequent payments 45 = 0.06667

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	4	divide by # requiring notices	39	
# claims with VR potential eligibility notice violations	1	divide by # requiring notices	7	
Totals	5	Totals	46	=
				0.10870

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.33481

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SAC-03-05-R1-5

Subject: SCIF- Claims Management Service

Location: Sacramento

Type: TPA

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1				\$154.00			\$154.00
2				\$47.17			\$47.17
3				\$58.29			\$58.29
4				\$27.89			\$27.89
5	\$208.84			\$20.88			\$229.72
TOTAL	\$208.84	\$0.00	\$0.00	\$308.23	\$0.00	\$0.00	\$517.07

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	51
Indemnity	51
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: SAC-03-05-R1-5

Subject: SCIF-Claims Management Service

Location: Sacramento

Type: TPA

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance Due	Appealed	
						Yes	No
1	4	\$975	\$975	\$0	\$0		x
2	1	\$50	\$50	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	3	\$500	\$500	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	2	\$800	\$800	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	4	\$1,000	\$1,000	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	2	\$200	\$200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	4	\$450	\$450	\$0	\$0		x
18 e	0	\$0	\$0	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	20	\$3,975	\$3,975	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: SFO-02-05-R1-1

Subject: TIG Specialty Insurance

Location: Martinez

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 3 divide by # claims with payable indem 54 = 0.05556

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 167.63 divide by # of claims with obligation to pay indem. 54
 Avg Unpd Ind = \$ 3.10

C. Severity Rate

Avg Unpd Indem \$ 3.10 divide by avg unpd indem 2001-2003 of \$ 169.34 = 0.01833

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.05556 X Severity rate 0.01833 X modifier of 2
 = 0.00204

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	10	divide by # with TD payments	39	
# claims with late first SC notice	2	divide by # with salary continuation	12	
Totals	12	divide by	Totals 51	=
				0.23529

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	2	divide by # with first PD	17	
# claims with late first VRMA	0	divide by # with first VRMA	5	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	2	divide by	Totals 22	=
				0.09091

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 7 divide by # with subsequent payments 27 = 0.25926

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	11	divide by # requiring notices	32	
# claims with VR potential eligibility notice violations	3	divide by # requiring notices	7	
Totals	14	Totals	39	
				= 0.35897

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 0.94647

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: SFO-02-05-R1-1

Subject: TIG Specialty Insurance

Location: Martinez

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$45.48					\$45.48
2				\$62.40			\$62.40
3			\$59.75				\$59.75
TOTAL	\$0.00	\$45.48	\$59.75	\$62.40	\$0.00	\$0.00	\$167.63

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	57
Indemnity	54
Medical Only	0
Denied	0
Complaints	3
Additional	0

Audit No: SFO-02-05-R1-1

Subject: TIG Specialty Insurance

Location: Martinez

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	10	\$1,375	\$1,375	\$0	\$0		x
2	2	\$1,600	\$1,600	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	8	\$1,390	\$1,390	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	2	\$75	\$75	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	3	\$900	\$900	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	12	\$4,500	\$4,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	1	\$200	\$200	\$0	\$0		x
18 b	0	\$0	\$0	\$0	\$0		x
18 c	1	\$100	\$100	\$0	\$0		x
18 d	1	\$100	\$100	\$0	\$0		x
18 e	1	\$800	\$800	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	41	\$11,040	\$11,040	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Calendar Year: 2005
Notices of Compensation Due

Individual Exhibit 2

Audit No: VNO-03-05-R1-1

Subject: Tokio Marine Management, Inc.

Location: Pasadena

Type: INS

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1		\$840.00					\$840.00
2	\$27.42			\$2.74			\$30.16
3	\$712.98			\$15.03			\$728.01
4	\$1,304.63						\$1,304.63
5		\$5,128.66		\$512.87			\$5,641.53
6	\$33.93						\$33.93
7				\$22.72			\$22.72
TOTAL	\$2,078.96	\$5,968.66	\$0.00	\$553.36	\$0.00	\$0.00	\$8,600.98

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	56
Indemnity	56
Medical Only	0
Denied	0
Complaints	0
Additional	0

Audit No: VNO-03-05-R1-1

Subject: Tokio Marine Management, Inc.

Location: Pasadena

Type: INS

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance \$ Due	Appealed	
						Yes	No
1	10	\$2,955	\$2,955	\$0	\$0		x
2	5	\$3,015	\$3,015	\$0	\$0		x
3	0	\$0	\$0	\$0	\$0		x
4	30	\$12,375	\$12,375	\$0	\$0		x
5	0	\$0	\$0	\$0	\$0		x
6	0	\$0	\$0	\$0	\$0		x
7	0	\$0	\$0	\$0	\$0		x
8	0	\$0	\$0	\$0	\$0		x
9	0	\$0	\$0	\$0	\$0		x
10	0	\$0	\$0	\$0	\$0		x
11	0	\$0	\$0	\$0	\$0		x
12	0	\$0	\$0	\$0	\$0		x
13	7	\$2,600	\$2,600	\$0	\$0		x
14	0	\$0	\$0	\$0	\$0		x
15	9	\$4,500	\$4,500	\$0	\$0		x
16	0	\$0	\$0	\$0	\$0		x
17	0	\$0	\$0	\$0	\$0		x
18 a	6	\$3,000	\$3,000	\$0	\$0		x
18 b	1	\$1,500	\$1,500	\$0	\$0		x
18 c	0	\$0	\$0	\$0	\$0		x
18 d	1	\$100	\$100	\$0	\$0		x
18 e	1	\$1,000	\$1,000	\$0	\$0		x
18 f	0	\$0	\$0	\$0	\$0		x
19	0	\$0	\$0	\$0	\$0		x
20 a	0	\$0	\$0	\$0	\$0		x
20 b	0	\$0	\$0	\$0	\$0		x
20 c	0	\$0	\$0	\$0	\$0		x
20 d	0	\$0	\$0	\$0	\$0		x
21	0	\$0	\$0	\$0	\$0		x
TOTAL	70	\$31,045	\$31,045	\$0	\$0		

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.

Profile Audit Review Performance Rating of Randomly Selected Claims

Audit No: VNO-02-05-T2-2

Subject: Vons Companies, Inc.

Location: Arcadia

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 11 divide by # claims with payable indem 58 = 0.18966

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem. = \$ 13,243.57 divide by # of claims with obligation to pay indem. 58
Avg Unpd Ind = \$ 228.34

C. Severity Rate

Avg Unpd Indem \$ 228.34 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.34840

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.18966 X Severity rate 1.34840 X modifier of 2
= 0.51146

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	14	divide by # with TD payments	55	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	14	divide by	Totals 55	=
				0.25455

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	5	divide by # with first PD	26	
# claims with late first VRMA	0	divide by # with first VRMA	9	
# claims with late first DB	0	divide by # with first DB paid	0	
Totals	5	divide by	Totals 35	=
				0.14286

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subsequent payments 23 divide by # with subsequent payments 55 = 0.41818

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	12	divide by # requiring notices	39	
# claims with VR potential eligibility notice violations	15	divide by # requiring notices	16	
Totals	27		Totals 55	
				= 0.49091

PROFILE AUDIT REVIEW PERFORMANCE RATING - 2005 1.81795

Profile Audit Review Performance Rating of 1.76446 or greater is a failing score.

Full Compliance Audit Performance Rating of Randomly Selected Claims

Audit No: VNO-02-05-T2-2

Subject: Vons Companies, Inc.

Location: Arcadia

1. FACTOR FOR FAILURE TO PAY ACCRUED AND UNDISPUTED INDEMNITY

A. Frequency Rate

claims with unpd indem 31 divide by # claims with payable indem 131 = 0.23664

B. Average Amount of Unpaid Indemnity per Claim with Obligation to Pay Indemnity

Total unpd indem = \$34,358.72 divide by # of claims with obligation to pay indem. 131
Avg Unpd Ind = \$ 262.28

C. Severity Rate

Avg Unpd Ind. \$ 262.28 divide by avg unpd indem 2001-2003 of \$ 169.34 = 1.54884

D. Factor for Failure to pay Undisputed Accrued Indemnity

Frequency rate 0.23664 X Severity rate 1.54884 X modifier of 2
= 0.73304

2. FACTOR FOR LATE FIRST PAYMENT OF TEMPORARY DISABILITY OR FIRST NOTICE

# claims with late 1st TD	31	divide by # with TD payments	125	
# claims with late first SC notice	0	divide by # with salary continuation	0	
Totals	31	divide by	Totals 125	=
				0.24800

3. FACTOR FOR LATE FIRST PAYMENT OF PERMANENT DISABILITY, VRMA, AND DEATH BENEFITS

# claims with late first PD	12	divide by # with first PD	50	
# claims with late first VRMA	2	divide by # with first VRMA	19	
# claims/late first death benefits	0	divide by # with first death ben paid	0	
Totals	14	divide by	Totals 69	=
				0.20290

4. FACTOR FOR LATE SUBSEQUENT INDEMNITY PAYMENTS

claims with late subseq payments 54 divide by # with subseq payments 119 = 0.45378

5. FACTOR FOR PROVISION OF AME/QME NOTICES AND NOTICES OF POTENTIAL ELIGIBILITY FOR VOCATIONAL REHABILITATION

# claims with AME/QME notice violations	23	divide by # requiring notices	93	
# claims with VR potential eligibilty notice violations	28	divide by # requiring notices	34	
Totals	51	Totals	127	=
				0.40157

FULL COMPLIANCE AUDIT PERFORMANCE RATING - 2005

Full Compliance Audit Performance Rating of indemnity files of 2.47632 or greater is a failing score.

2.03929

Calendar Year: 2005
Notices of Compensation Due

Audit No: VNO-02-05-T2-2

Subject: Vons Companies, Inc.

Location: Arcadia

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty Interest or Other	Total
1	\$201.32			\$27.40			\$228.72
2		\$1,415.25		\$141.53			\$1,556.78
3	\$228.52						\$228.52
4	\$82.72			\$8.27			\$90.99
5		\$4,653.57		\$465.36			\$5,118.93
6				\$15.86			\$15.86
7	\$856.28	\$80.00		\$93.63			\$1,029.91
8		\$1,855.87		\$185.59			\$2,041.46
9	\$153.15						\$153.15
10				\$120.40			\$120.40
11	\$3,990.83			\$399.08			\$4,389.91
12	\$4,184.83			\$560.43			\$4,745.26
13				\$100.80			\$100.80
14	\$420.00	\$1,540.00		\$196.00			\$2,156.00
15	\$347.13			\$27.32			\$374.45
16	\$47.56			\$60.04			\$107.60
17	\$890.90			\$74.96			\$965.86
18	\$1,139.39			\$91.22			\$1,230.61
19	\$169.35						\$169.35
20	\$755.18			\$75.52			\$830.70
21	\$26.23						\$26.23
SUBTOTAL	\$13,493.39	\$9,544.69	\$0.00	\$2,643.41	\$0.00	\$0.00	\$25,681.49

Calendar Year: 2005
Notices of Compensation Due

Audit No: VNO-02-05-T2-2

Subject: Vons Companies, Inc.

Location: Arcadia

Type: SI

Item Number	Temporary Disability	Permanent Disability	VRMA	Self-imposed Increase	Death Benefits	Penalty interest, or other	Total
22	\$854.25			\$85.43			\$939.68
23	\$288.02			\$96.03			\$384.05
24	\$1,002.40			\$258.74			\$1,261.14
25	\$164.68						\$164.68
26	\$971.69			\$78.12			\$1,049.81
27	\$381.55	\$1,448.93		\$183.04			\$2,013.52
28	\$776.99						\$776.99
29		\$1,794.37		\$179.44			\$1,973.81
30				\$77.21			\$77.21
31	\$5.00			\$31.34			\$36.34
Page 2 SUBTOTAL	\$4,444.58	\$3,243.30	\$0.00	\$989.35	\$0.00	\$0.00	\$8,677.23
Page 1 SUBTOTAL	\$13,493.39	\$9,544.69	\$0.00	\$2,643.41	\$0.00	\$0.00	\$25,681.49
TOTAL	\$17,937.97	\$12,787.99	\$0.00	\$3,632.76	\$0.00	\$0.00	\$34,358.72

Calendar Year: 2005

Individual Exhibit 3

Penalty Assessments and Collections

Files Audited:	132
Indemnity	131
Medical Only	0
Denied	0
Complaints	1
Additional	0

Audit No: VNO-02-05-T2-2

Subject: Vons Companies, Inc.

Location: Arcadia

Type: SI

Item #	# of Times Cited	Total \$ Penalties Assessable	Total Penalties Waived	Total \$ Amount Collected	Balance Due	Appealed	
						Yes	No
1	32	\$10,260	\$0	\$0	\$10,260	\$0	x
2	11	\$3,300	\$0	\$0	\$3,300	\$0	x
3	2	\$175	\$0	\$0	\$175	\$0	x
4	99	\$13,605	\$1,160	\$0	\$12,445	\$0	x
5	0	\$0	\$0	\$0	\$0	\$0	x
6	0	\$0	\$0	\$0	\$0	\$0	x
7	0	\$0	\$0	\$0	\$0	\$0	x
8	0	\$0	\$0	\$0	\$0	\$0	x
9	0	\$0	\$0	\$0	\$0	\$0	x
10	0	\$0	\$0	\$0	\$0	\$0	x
11	0	\$0	\$0	\$0	\$0	\$0	x
12	0	\$0	\$0	\$0	\$0	\$0	x
13	29	\$11,500	\$11,500	\$0	\$0	\$0	x
14	0	\$0	\$0	\$0	\$0	\$0	x
15	23	\$9,900	\$9,900	\$0	\$0	\$0	x
16	0	\$0	\$0	\$0	\$0	\$0	x
17	0	\$0	\$0	\$0	\$0	\$0	x
18 a	23	\$20,400	\$0	\$0	\$20,400	\$0	x
18 b	7	\$4,100	\$0	\$0	\$4,100	\$0	x
18 c	0	\$0	\$0	\$0	\$0	\$0	x
18 d	14	\$1,600	\$0	\$0	\$1,600	\$0	x
18 e	0	\$0	\$0	\$0	\$0	\$0	x
18 f	0	\$0	\$0	\$0	\$0	\$0	x
19	0	\$0	\$0	\$0	\$0	\$0	x
20 a	0	\$0	\$0	\$0	\$0	\$0	x
20 b	0	\$0	\$0	\$0	\$0	\$0	x
20 c	0	\$0	\$0	\$0	\$0	\$0	x
20 d	0	\$0	\$0	\$0	\$0	\$0	x
21	0	\$0	\$0	\$0	\$0	\$0	x
TOTAL	240	\$74,840	\$22,560	\$0	\$52,280	\$0	

Administrative penalties waived pursuant to Labor Code Section 129.5(c) and regulatory authority.