

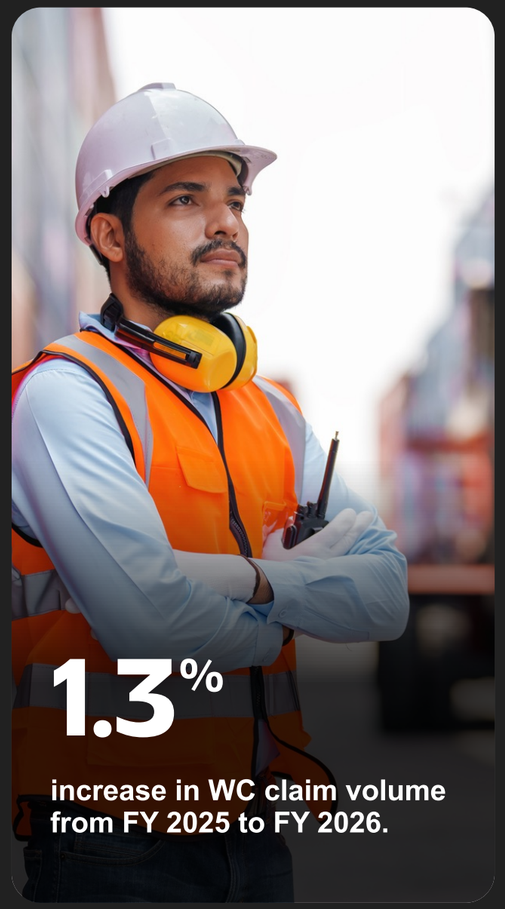
sedgwick

State of the Line

2026 MID-YEAR

Workers' compensation

The workers' compensation (WC) environment remains healthy, though rising claim volume, workforce aging and inflationary pressures continue to drive higher costs. Sedgwick's FY 2026 results reflect these trends, with modest increases in claims and indemnity costs balanced by stronger operational performance, including improved closure rates, shorter claim durations and stable litigation rates.



1.3%
increase in WC claim volume from FY 2025 to FY 2026.

3.3% ↑
increase in indemnity claim volume in FY 2026.

22.3%
rate of indemnity claims, remaining stable in FY 2026.

5.7% ↑
increase in average paid per indemnity claim in FY 2026.

1.8%
medical inflation rate, remaining relatively moderate in FY 2026.

Overall claim closure rates improved.

Average claim durations continued to decline.

Litigation rates remained essentially unchanged.

Dive deeper into the stats with the full report here →