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## Department releases national study on workers' compensation premium rates

(Salem) – The Oregon Department of Consumer and Business Services today released its biennial study on national workers' compensation premium rates.

Employers in Oregon continue to pay less for workers' compensation coverage. In 2009, employers will pay 5.9 percent less on average for coverage, the third straight year for a rate decrease and the 19th consecutive year with no rate increase.

The premium rate ranking study, based on rates that were in effect Jan. 1, 2008, ranks all 50 states and the District of Columbia according to their workers' compensation premium rates. In the new ranking, Oregon is 39th with an index rate of \$1.88. This means Oregon's workers' compensation rates are the 13th lowest in the nation in 2008. Oregon was ranked 42nd (or 10th lowest) in 2006 with an index rate of \$1.97. The median index rate has dropped to \$2.26 for 2008 from the 2006 median of \$2.48. The index rate is the payroll weighted average premium for \$100 of payroll based upon the 50 occupations in Oregon with the greatest losses.

The study found that Alaska had the highest workers' compensation rates, and Montana's rates were the second highest. North Dakota had the lowest rates. California, which was second highest in 2006 and highest in 2004 and 2002, was 14th highest nationally. Washington and Idaho came in at 38th and 34th highest, respectively.

Low workers' compensation costs are an important factor in creating a favorable business climate. Since 1991, Oregon's workers' compensation costs have declined nearly 62 percent, saving Oregon employers \$16.4 billion. Workplace injury and illness rates in the state have declined more than 10 percent since 2004 and more than 50 percent since the late 1980s.

DCBS research analysts update the rate ranking study every two years and report to the Oregon Legislature as a measure of workers' compensation system performance. The first report, based on 1986 data, showed Oregon with the sixth-highest rates in the nation. The state's rank has improved since then, due to reforms of the workers' compensation system and improvements in workplace safety and health.

The report is available at

[http://www4.cbs.state.or.us/ex/imd/reports/rpt/index.cfm?fuseaction=version\\_view&version\\_tk=181097&ProgID=FEARA012](http://www4.cbs.state.or.us/ex/imd/reports/rpt/index.cfm?fuseaction=version_view&version_tk=181097&ProgID=FEARA012).

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The Department of Consumer and Business Services is Oregon's largest business regulatory and consumer protection agency. For more information, visit [www.dcbs.oregon.gov](http://www.dcbs.oregon.gov).