



2012 Oregon Workers' Compensation Premium Rate Ranking Summary

Department of Consumer and Business Services

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Oregon employers in the voluntary market pay, on average, the 39th highest workers' compensation premium rates in the nation. Oregon rates are 16 percent below those of the median state in the study.

Premium rate indices are calculated based on data from 51 jurisdictions, for rates in effect as of Jan. 1, 2012. Oregon's premium rate index is \$1.58 per \$100 of payroll, or 84 percent of the national median. National premium rate indices range from a low of \$1.01 in North Dakota to a high of \$3.01 in Alaska. The 2012 median value is \$1.88, which is a drop of 8 percent from the \$2.04 median in the 2010 study. One jurisdiction has an index rate in the \$3.00-\$3.49 range; 7 are in the \$2.50-\$2.99 range; 11 are in the \$2.00-\$2.49 range; 22 are in the \$1.50-\$1.99 range; and 10 have indices under \$1.50.

Figure 1. 2012 Workers' compensation premium index rates

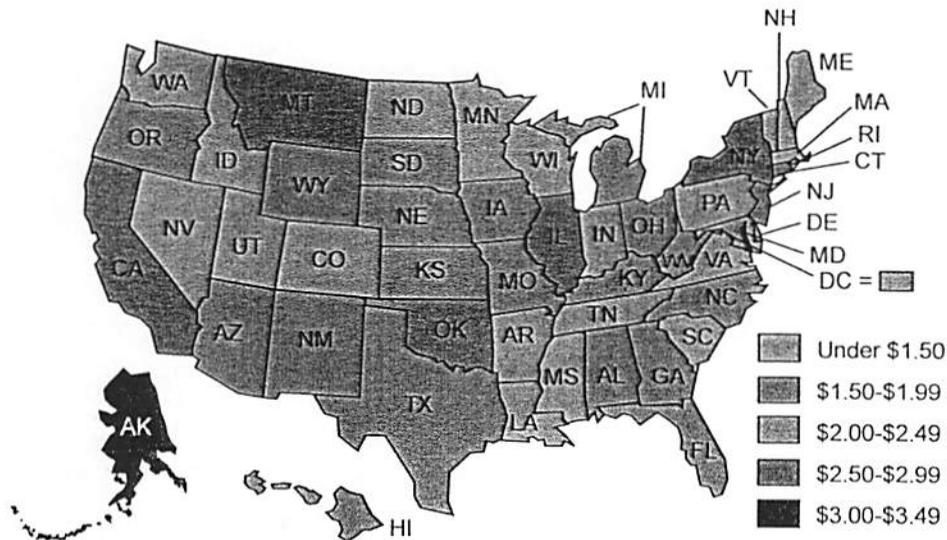


Table 1. Oregon's ranking in the top 10 classifications

| Occupation | Ranking |
|--|---------|
| Clerical office employees NOC | 47 |
| Salespersons - outside | 47 |
| College: professional employees and clerical | 36 |
| Physician and clerical | 39 |
| Restaurant NOC | 44 |
| Store: retail, NOC | 43 |
| Hospital: professional employees | 34 |
| Automobile service/repair center and drivers | 28 |
| Trucking: NOC - all employees and drivers | 24 |
| Retirement living centers: health care employees | 24 |

This study used classification codes from the National Council on Compensation Insurance (NCCI). Of approximately 450 active classes in Oregon, 50 were selected based on relative importance as measured by share of losses in Oregon. To control for differences in industry distributions, each state's rates were weighted by 2006-2008 Oregon payroll to obtain an average manual rate for that state. Listed in Table 1 are Oregon's rankings in the top 10 of the 50 classifications used.

Table 2. Workers' compensation premium rate ranking

| 2012 Ranking | 2010 Ranking | State | Index Rate | Percent of study median | Effective Date |
|--------------|--------------|----------------------|------------|-------------------------|------------------------------------|
| 1 | 2 | Alaska | 3.01 | 160% | January 1, 2012 |
| 2 | 6 | Connecticut | 2.99 | 159% | January 1, 2012 |
| 3 | 5 | California | 2.92 | 155% | January 1, 2012 |
| 4 | 3 | Illinois | 2.83 | 151% | January 1, 2012 |
| 5 | 13 | New York | 2.82 | 150% | October 1, 2011 |
| 6 | 4 | Oklahoma | 2.77 | 147% | 11/1/11 State Fund, 1/1/12 Private |
| 7 | 7 | New Jersey | 2.74 | 146% | January 1, 2012 |
| 8 | 1 | Montana | 2.50 | 133% | July 1, 2011 |
| 9 | 10 | New Hampshire | 2.40 | 128% | January 1, 2012 |
| 10 | 8 | Maine | 2.24 | 119% | January 1, 2012 |
| 12 | 14 | Pennsylvania | 2.15 | 114% | April 1, 2011 |
| 12 | 19 | Wisconsin | 2.15 | 114% | October 1, 2011 |
| 13 | 26 | Washington | 2.11 | 112% | January 1, 2012 |
| 14 | 18 | Vermont | 2.07 | 110% | April 1, 2011 |
| 15 | 25 | Louisiana | 2.06 | 110% | October 1, 2011 |
| 16 | 12 | South Carolina | 2.04 | 109% | July 1, 2011 |
| 17 | 16 | Minnesota | 2.03 | 108% | January 1, 2012 |
| 19 | 20 | Tennessee | 2.02 | 107% | November 1, 2011 |
| 19 | 29 | Idaho | 2.02 | 107% | January 1, 2012 |
| 20 | 28 | Rhode Island | 1.99 | 106% | June 1, 2011 |
| 21 | 10 | Alabama | 1.97 | 105% | March 1, 2011 |
| 22 | 15 | Kentucky | 1.96 | 104% | October 1, 2011 |
| 23 | 28 | South Dakota | 1.91 | 102% | July 1, 2011 |
| 25 | 36 | Iowa | 1.90 | 101% | January 1, 2012 |
| 25 | 23 | North Carolina | 1.90 | 101% | April 1, 2011 |
| 27 | 24 | Georgia | 1.88 | 100% | March 1, 2011 |
| 27 | 32 | New Mexico | 1.88 | 100% | January 1, 2012 |
| 28 | 17 | Ohio | 1.84 | 98% | July 1, 2011 |
| 29 | 40 | Florida | 1.82 | 97% | January 1, 2012 |
| 30 | 34 | Delaware | 1.77 | 94% | December 1, 2011 |
| 31 | 37 | Wyoming | 1.74 | 92% | January 1, 2012 |
| 32 | 23 | Michigan | 1.73 | 92% | January 1, 2012 |
| 33 | 30 | Nebraska | 1.71 | 91% | February 1, 2011 |
| 34 | 42 | Maryland | 1.68 | 89% | January 1, 2012 |
| 35 | 40 | Hawaii | 1.66 | 88% | January 1, 2012 |
| 36 | 33 | Missouri | 1.62 | 86% | January 1, 2012 |
| 37 | 38 | Arizona | 1.61 | 86% | January 1, 2012 |
| 38 | 12 | Texas | 1.60 | 85% | June 1, 2011 |
| 39 | 41 | OREGON | 1.58 | 84% | January 1, 2012 |
| 40 | 35 | West Virginia | 1.55 | 82% | November 1, 2011 |
| 41 | 43 | Kansas | 1.54 | 82% | January 1, 2012 |
| 42 | 31 | Mississippi | 1.49 | 79% | March 1, 2012 |
| 43 | 47 | Colorado | 1.42 | 76% | January 1, 2012 |
| 44 | 44 | Massachusetts | 1.37 | 73% | September 1, 2011 |
| 45 | 45 | Utah | 1.35 | 72% | December 1, 2011 |
| 46 | 21 | Nevada | 1.33 | 71% | March 2, 2011 |
| 47 | 48 | District of Columbia | 1.28 | 68% | November 1, 2011 |
| 48 | 47 | Virginia | 1.20 | 64% | April 1, 2011 |
| 49 | 49 | Arkansas | 1.19 | 63% | July 1, 2011 |
| 50 | 50 | Indiana | 1.16 | 62% | January 1, 2012 |
| 51 | 51 | North Dakota | 1.01 | 53% | July 1, 2011 |

Notes: When two or more states' index rate values are the same, they are assigned the same ranking. Index rates reflect adjustments for the characteristics of each individual state's residual market. Rates vary by classification and insurer in each state, and actual cost to an employer can be adjusted by the employer's experience rating, premium discount, retrospective rating, and dividends. Nevada's index rate dropped significantly since the 2010 study, due in part to inclusion of a payroll cap adjustment in 2012. Link to previous reports and summaries.

Employers can reduce their workers' compensation rates through accident prevention, safety training, and by helping injured workers return to work quickly.

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