

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

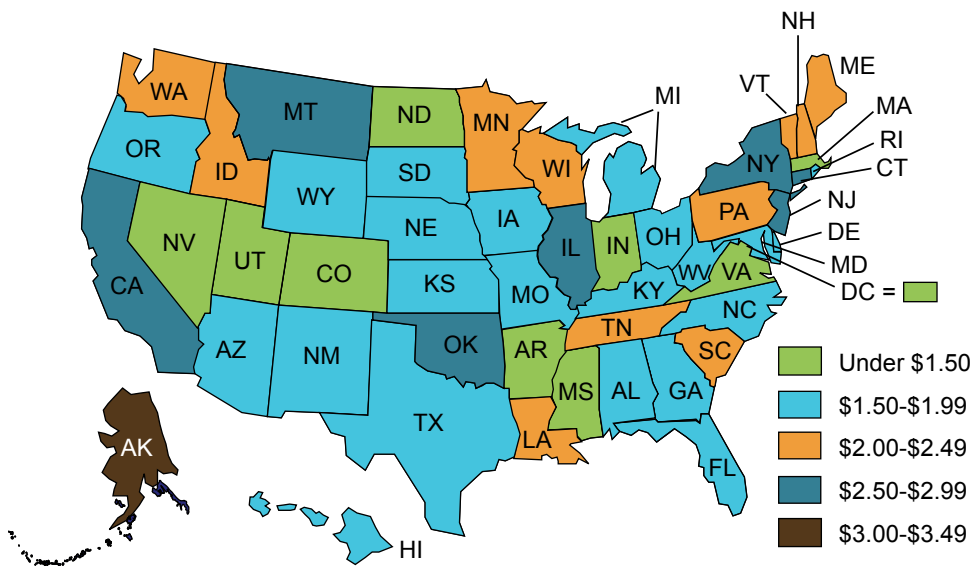


Table 1. Oregon's ranking in the top 10 classifications

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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