

Workers' Compensation Cost Summary: Effective Jan. 1, 2018

WHAT	PAYS FOR	COST/CHANGE	RECENT RATE HISTORY
Pure premium	Medical claims and benefits for lost wages. Excludes insurer expenses and profit.	Average 14.0 percent decrease from 2017.	<ul style="list-style-type: none"> ■ 2017: 6.6 percent decrease ■ 2016: 5.3 percent decrease ■ 2015: 5.3 percent decrease ■ 2014: 7.6 percent decrease
Premium assessment*	<p>State regulatory costs to administer workers' compensation and workplace safety programs.</p> <p>Self-insured employers and self-insured employer groups pay an additional amount to fund reserves that ensure prompt payment of claims in the event of insolvencies.</p>	<ul style="list-style-type: none"> ■ 7.4 percent of premiums for insured employers, increase from 2017. ■ 7.6 percent for self-insured employers, increase from 2017. ■ 7.6 percent for public-sector self-insured groups, increase from 2017. ■ 8.4 percent for private-sector self-insured employer groups, increase from 2017. 	<p>The increase of 0.6 percentage points is needed to invest in workplace safety and related programs to keep pace with a growing economy. In 2017, the rate was increased by the same amount, to 6.8 percent, for the same reason.</p> <p>Self-insured employers and self-insured employer groups also increase 0.6 percentage points.</p>
Workers' Benefit Fund (Payroll assessment)	Special benefits for certain injured workers and their families, and return-to-work programs.	2.8 cents per hour worked, unchanged from 2017. Employers and employees split the cost.	The rate had been 3.3 cents since 2013. The rate was lowered to 2.8 cents in 2017 and will remain unchanged for 2018.

* Public hearing set for Thursday, Sept. 21, at 3 p.m. at the Labor and Industries Building, Room B, in Salem.

