

# The Oregon Premium Rate Ranking Study

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## First study in 1986

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- **WC Climate in mid-1980s**
  - Oregon was known to be among states with the highest WC costs in the nation
  - Oregon had high rates of occupational injury and illness
  - Oregon experienced double-digit premium rate increases

# Study Goals

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- Produce a fair comparison of premiums with respect to industry mix
  - Include all 50 states plus D.C.
  - Report findings within the study year
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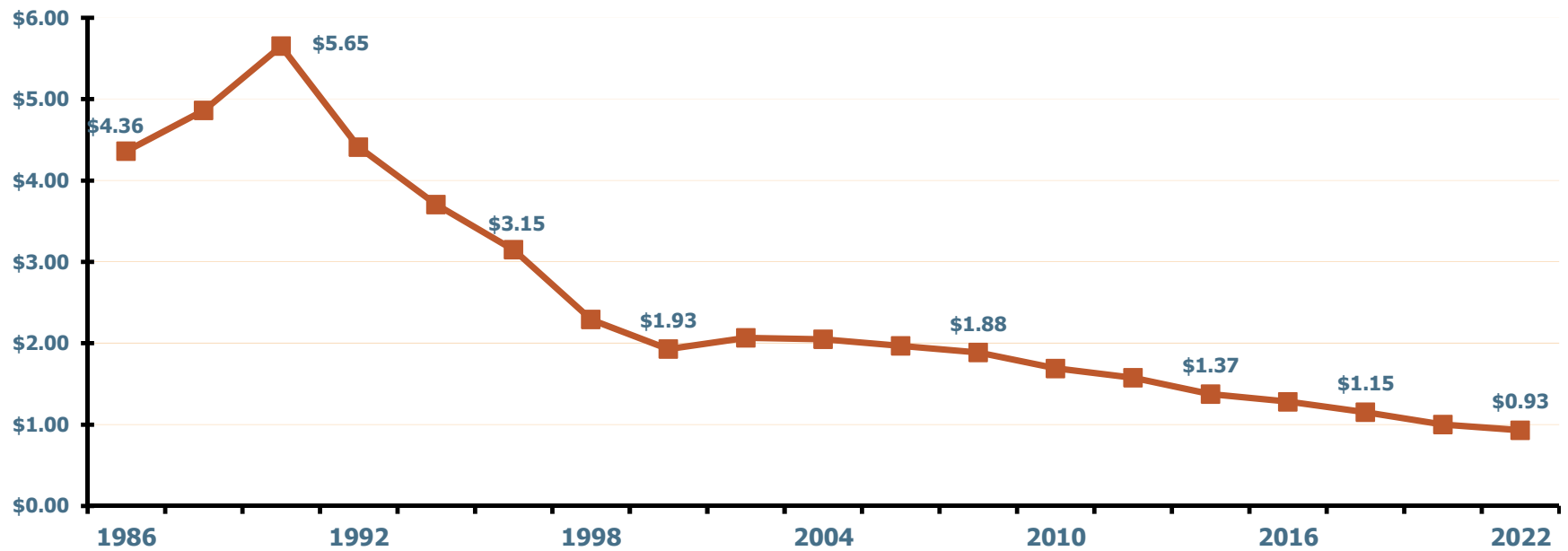
# Rate Ranking Methodology

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- Find a representative set of occupations/industries
- Survey 51 US jurisdictions' voluntary market premium rates by class
- Calculate manual premium rates for each class in each jurisdiction
  - Pure premium x LCM x Taxes and Assessments
- Adjust these premiums by Oregon payroll
- Calculate each jurisdiction's index rate

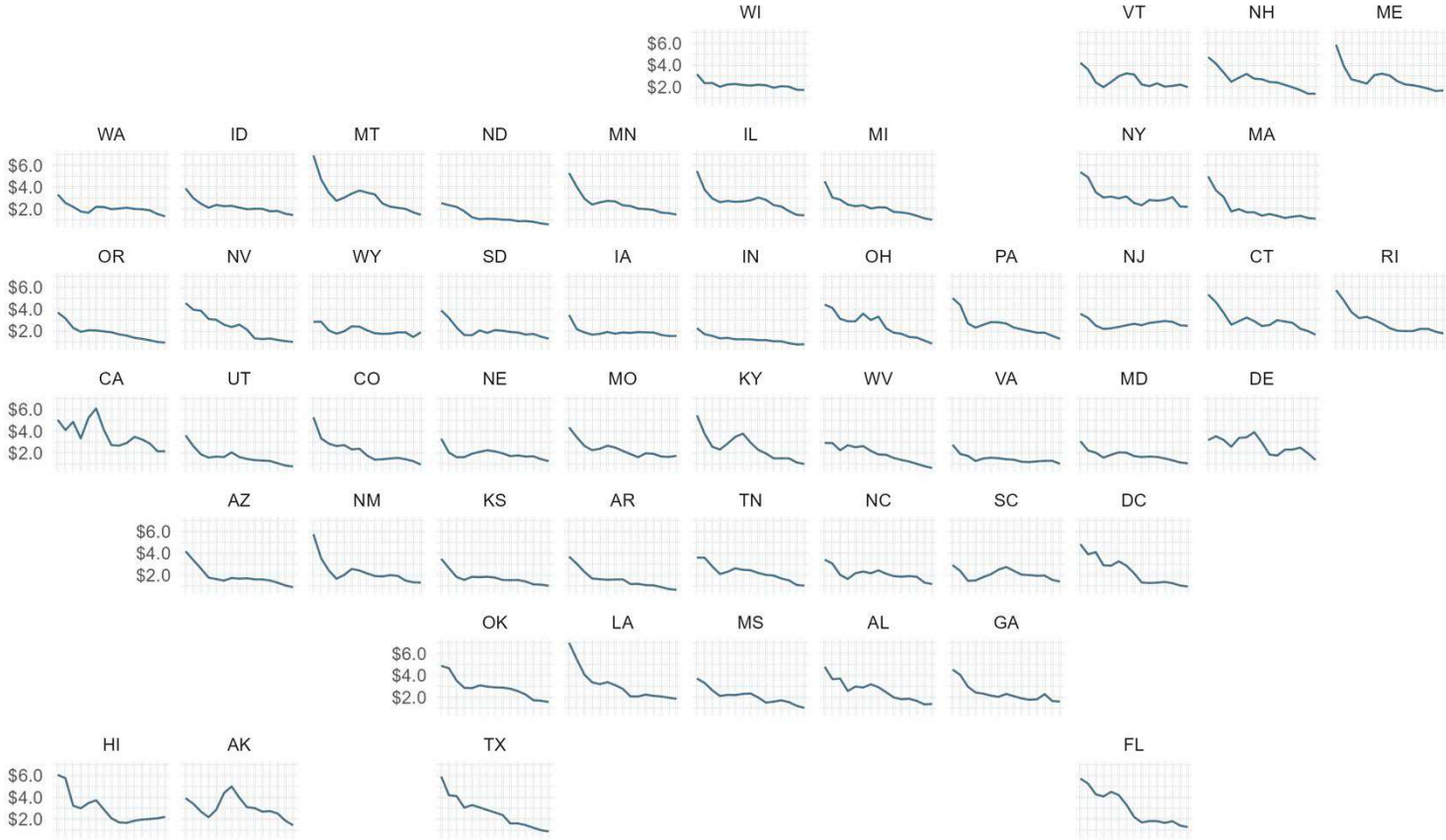
$$\frac{\Sigma (\text{payroll} * \text{premium rate})}{\Sigma (\text{payroll})}$$

# Oregon Premium Index Rate 1986-2022



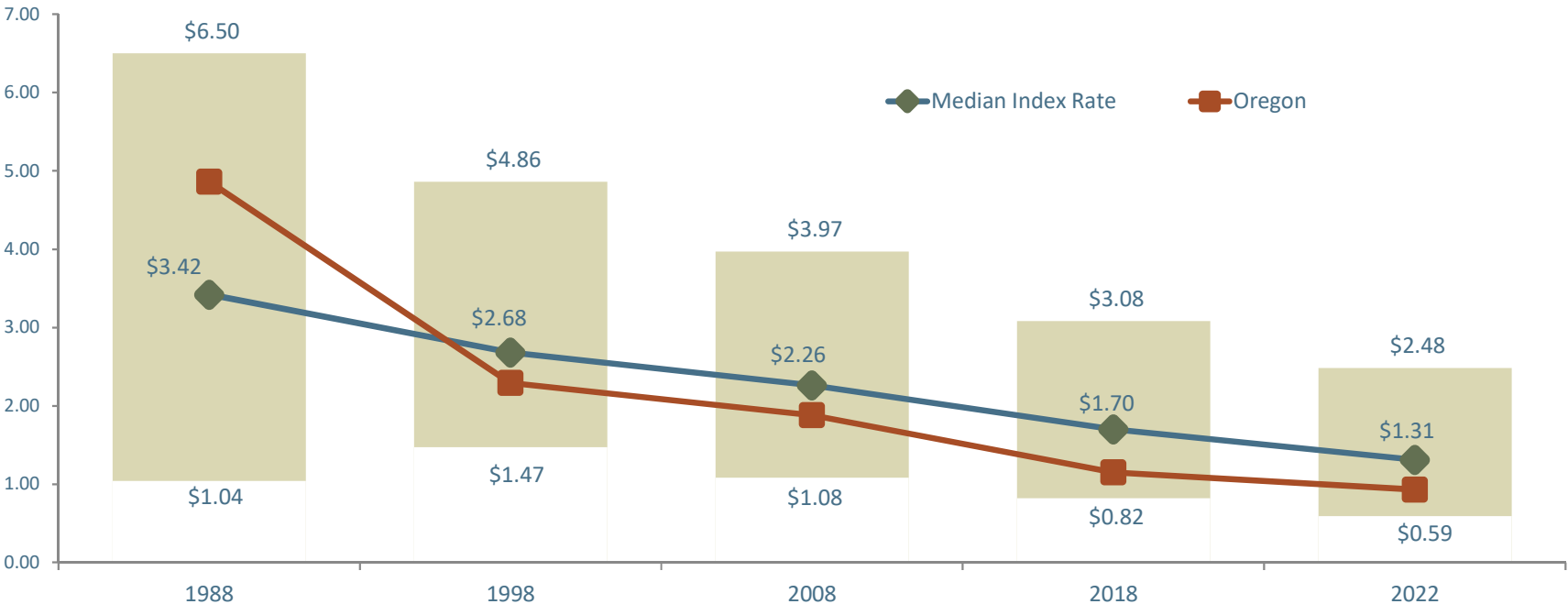
# Premium Rates on the Decline

Index rates, 1994 - 2022



All results for 2022 are preliminary.  
Contact the authors for complete findings.

# Range of Index Rates from 51 Jurisdictions 1988-2022



# Least costly jurisdictions

- Bottom quartile of Index Rates in 2022 (13 jurisdictions)
- All less than 78 percent of the median
- Oregon rose in the ranking despite lower index rate (45<sup>th</sup> to 42<sup>nd</sup>)
- Colorado is new to this quartile
- Tennessee has moved up

Rank	State	Percent of Study Median
39 (13)	Mississippi	77%
40 (12)	District of Columbia	75%
41 (11)	Colorado	73%
<b>42 (10)</b>	<b>Oregon</b>	<b>73%</b>
43 (9)	Texas	69%
44 (8)	Arizona	69%
45 (7)	Kentucky	67%
46 (6)	Ohio	66%
47 (5)	Indiana	60%
48 (4)	Utah	68%
49 (3)	Arkansas	51%
50 (2)	West Virginia	50%
51 (1)	North Dakota	45%



# Middle ground

- Second and third quartiles of index rates in 2022 (25 jurisdictions)
- Between 77 and 120 percent of the median
- There were 14 jurisdictions within 10% of the median

Rank	State	Percent of Study Median
14 (38)	Iowa	120%
15 (37)	Montana	115%
16 (36)	Idaho	112%
17 (35)	Oklahoma	111%
<b>18 (34)</b>	<b>New Hampshire</b>	<b>109%</b>
<b>19 (33)</b>	<b>Illinois</b>	<b>109%</b>
<b>20 (32)</b>	<b>Alabama</b>	<b>108%</b>
<b>21 (31)</b>	<b>Alaska</b>	<b>107%</b>
<b>22 (30)</b>	<b>South Carolina</b>	<b>106%</b>
<b>23 (29)</b>	<b>Delaware</b>	<b>106%</b>
<b>24 (28)</b>	<b>Washington</b>	<b>103%</b>
<b>25 (27)</b>	<b>South Dakota</b>	<b>102%</b>
<b>26 (26)</b>	<b>Pennsylvania</b>	<b>100%</b>
<b>27 (25)</b>	<b>New Mexico</b>	<b>99%</b>
<b>28 (24)</b>	<b>Florida</b>	<b>99%</b>
<b>29 (23)</b>	<b>Nebraska</b>	<b>98%</b>
<b>30 (22)</b>	<b>North Carolina</b>	<b>91%</b>
<b>31 (21)</b>	<b>Georgia</b>	<b>90%</b>
32 (20)	Massachusetts	83%
33 (19)	Maryland	81%
34 (18)	Tennessee	81%
35 (17)	Kansas	80%
36 (16)	Virginia	79%
37 (15)	Nevada	79%
38 (14)	Michigan	78%

# More costly jurisdictions

- Top quartile of Index Rates in 2022 (13 jurisdictions)
- All greater than 121 percent of the median
- Wyoming, Maine, Minnesota and Missouri are all new to this group

Rank	State	Percent of Study Median
1 (51)	New Jersey	192%
2 (50)	Hawaii	178%
3 (49)	California	178%
4 (48)	New York	169%
5 (47)	Louisiana	167%
6 (46)	Vermont	156%
7 (45)	Wyoming	146%
8 (44)	Wisconsin	132%
9 (43)	Maine	131%
10 (42)	Connecticut	129%
11 (41)	Rhode Island	128%
12 (40)	Minnesota	122%
13 (39)	Missouri	121%

# DCBS Research Publications on the Web

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Rate Ranking Study Reports

<https://www.oregon.gov/dcbs/reports/protection/Pages/general-wc-system.aspx>

Common Questions on the Rate Ranking Study

<https://www.oregon.gov/dcbs/cost/Pages/about.aspx>

All WC research topics

<https://www.oregon.gov/DCBS/reports/Pages/index.aspx>

Oregon Open Data Portal

<https://data.oregon.gov>



# Contact Us

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# Thank you

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