

Workers' Benefit Fund

Status Update 2024

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Workers' Benefit Fund Revenue - Actuals through September 2024

	2021-2023		2023-2025		2025-2027		2027-2029	
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenue:								
Assessments	68,653,030	70,512,566	67,861,600	63,645,569	64,254,563	64,777,105	65,271,910	65,704,350
Other Income	4,692,201	1,522,579	3,163,903	6,316,672	4,769,821	3,745,642	3,371,184	3,105,429
Total Revenue Excluding NCE	\$ 73,345,231	\$ 72,035,145	\$ 71,025,503	\$ 69,962,241	\$ 69,024,384	\$ 68,522,747	\$ 68,643,094	\$ 68,809,779

Revenue Forecast Assumptions

- Oregon non-farm employment: post-COVID rebound and slow growth
- WBF assessment rate: 2.0 cents-per-hour

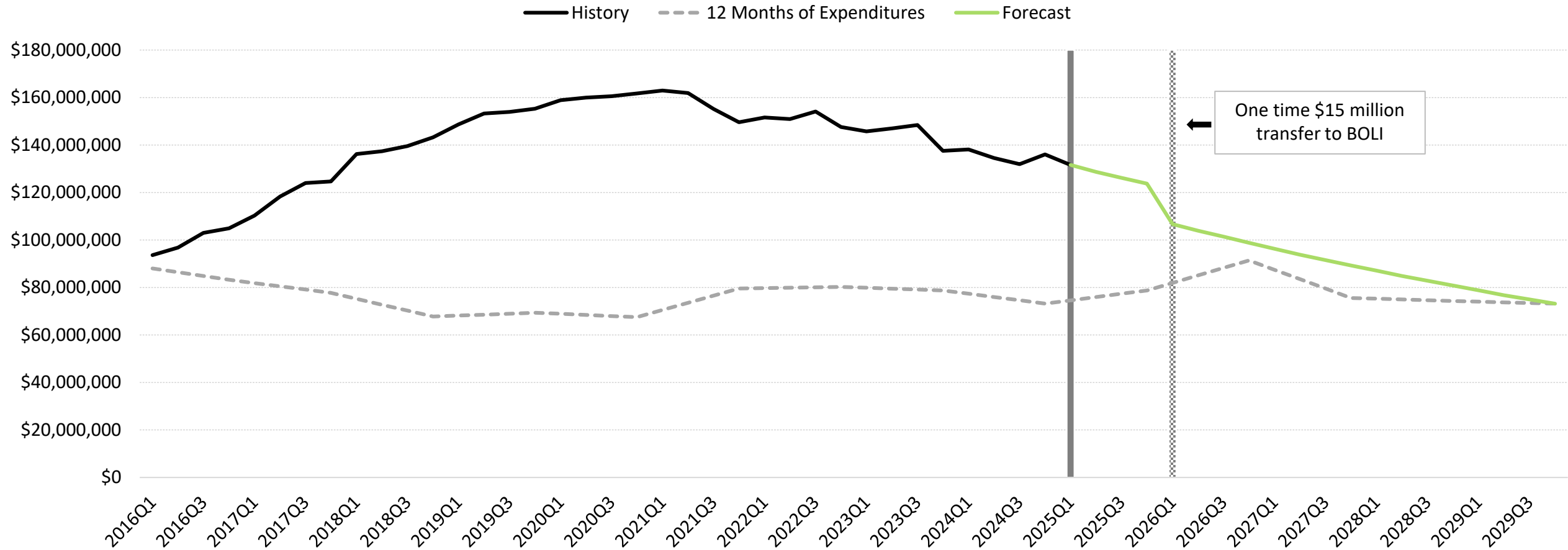
Workers' Benefit Fund Expenditures - Actuals through September 2024

	2021-2023			2023-2025		2025-2027			2027-2029	
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029		
WBF Program Expenditures:										
WBF Program Expenditure Total	\$ 67,567,255	\$ 73,647,943	\$ 64,707,363	\$ 75,852,974	\$ 70,904,804	\$ 69,557,577	\$ 68,435,635	\$ 67,516,352		
WBF Administrative Expenditure	\$ 8,559,402	\$ 7,367,365	\$ 8,675,948	\$ 7,921,212	\$ 23,446,484	\$ 8,602,289	\$ 8,797,669	\$ 8,997,456		
Total WBF Expenditures										
Excluding NCE	\$ 76,126,657	\$ 81,015,308	\$ 73,383,311	\$ 83,774,186	\$ 94,351,288	\$ 78,159,866	\$ 77,233,305	\$ 76,513,808		

Expenditure Forecast Assumptions

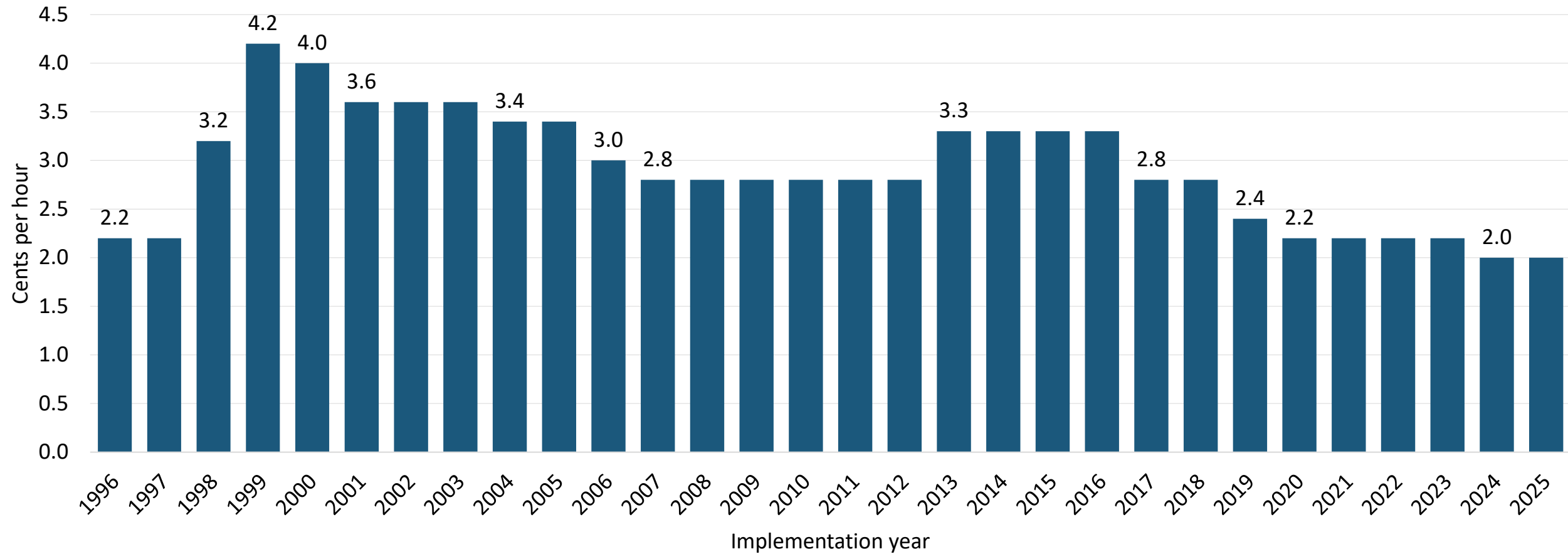
- Oregon wages
- Accepted disabling claims
- One-time 15 million transfer to BOLI in FY 2026 Q1

Workers' Benefit Fund - Ending Fund Balance



- House Bill 2788 (2019 session) requires WBF to maintain a fund balance of at least 12 months of expenditures.
- WBF ending fund balance as of Sept. 30, 2024, was \$131.6 million, or about 22 months of expenditures.

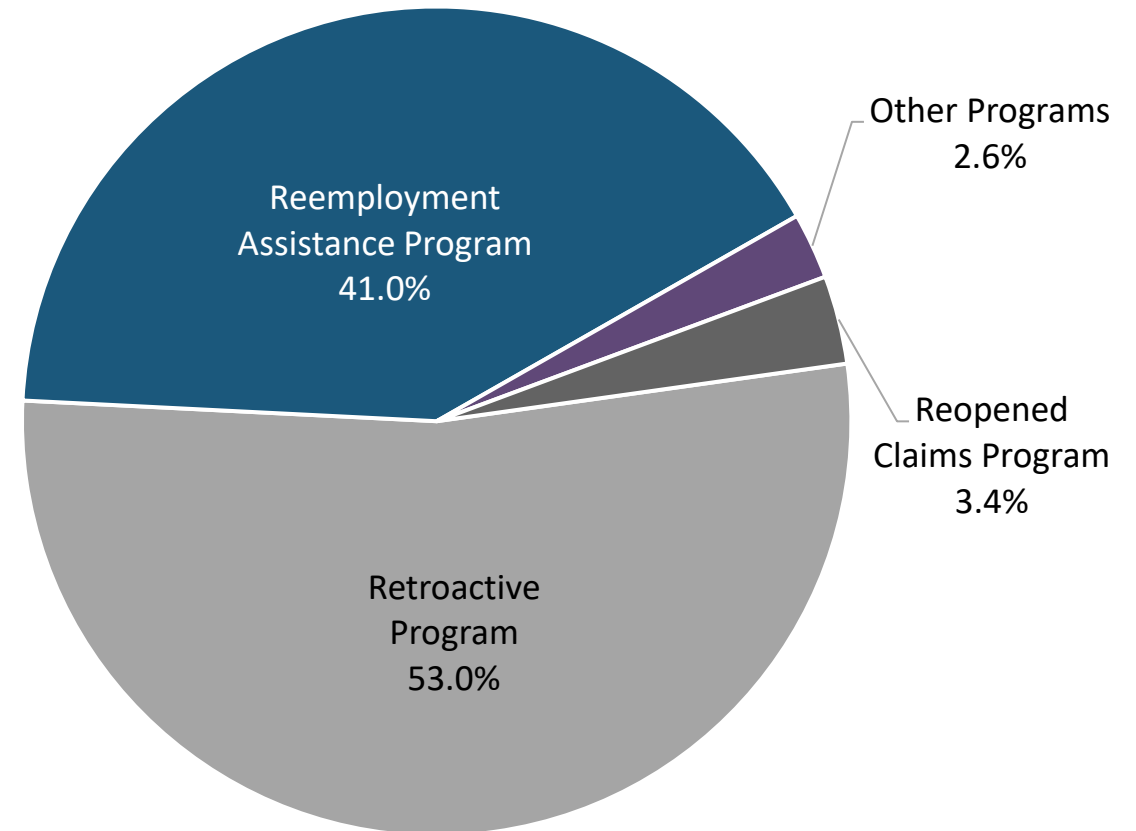
WBF cents per hour rates



- WBF assessment rate remained at 2.0 cents per hour effective Jan. 1, 2025.
- This rate is the lowest since the creation of the fund in 1996.

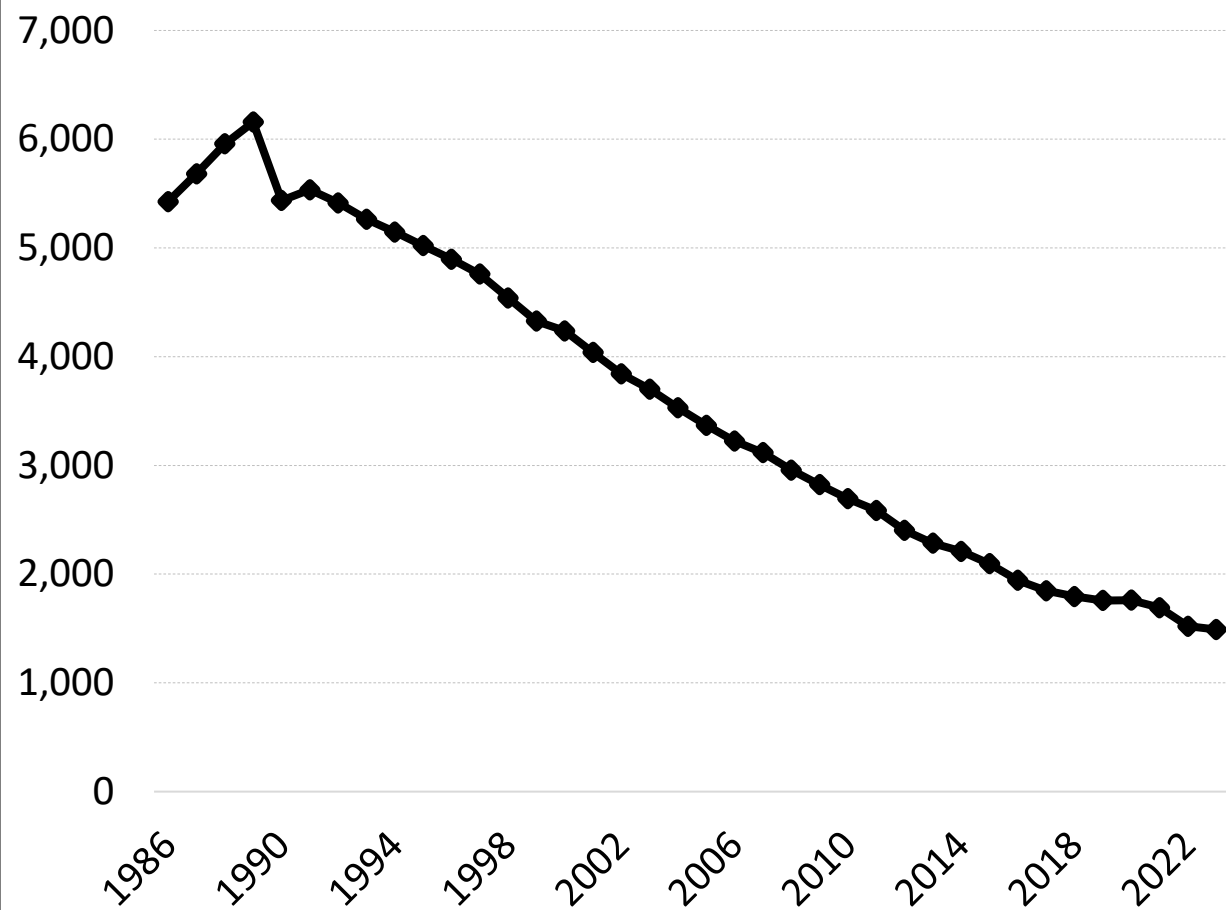
- **Retroactive Program** – pays cost of living adjustment (COLA) for fatal or permanent total disability injuries; based on State Average Weekly Wage (SAWW)
- **Reemployment Assistance Program** – facilitates the early return to work of injured employees
 - Employer-at-Injury Program
 - Preferred Worker Program
- **Reopened Claims Program** – reimburses insurers and self-insured employers for certain costs arising after workers' aggravation rights have expired
- **Other programs** – includes Workers with Disabilities Program (WWD), wages for multiple jobs component (Senate Bill 485), and claims payments for dissolved self-insured groups (Senate Bill 1558)

Fiscal Year 2024 WBF program expenditures

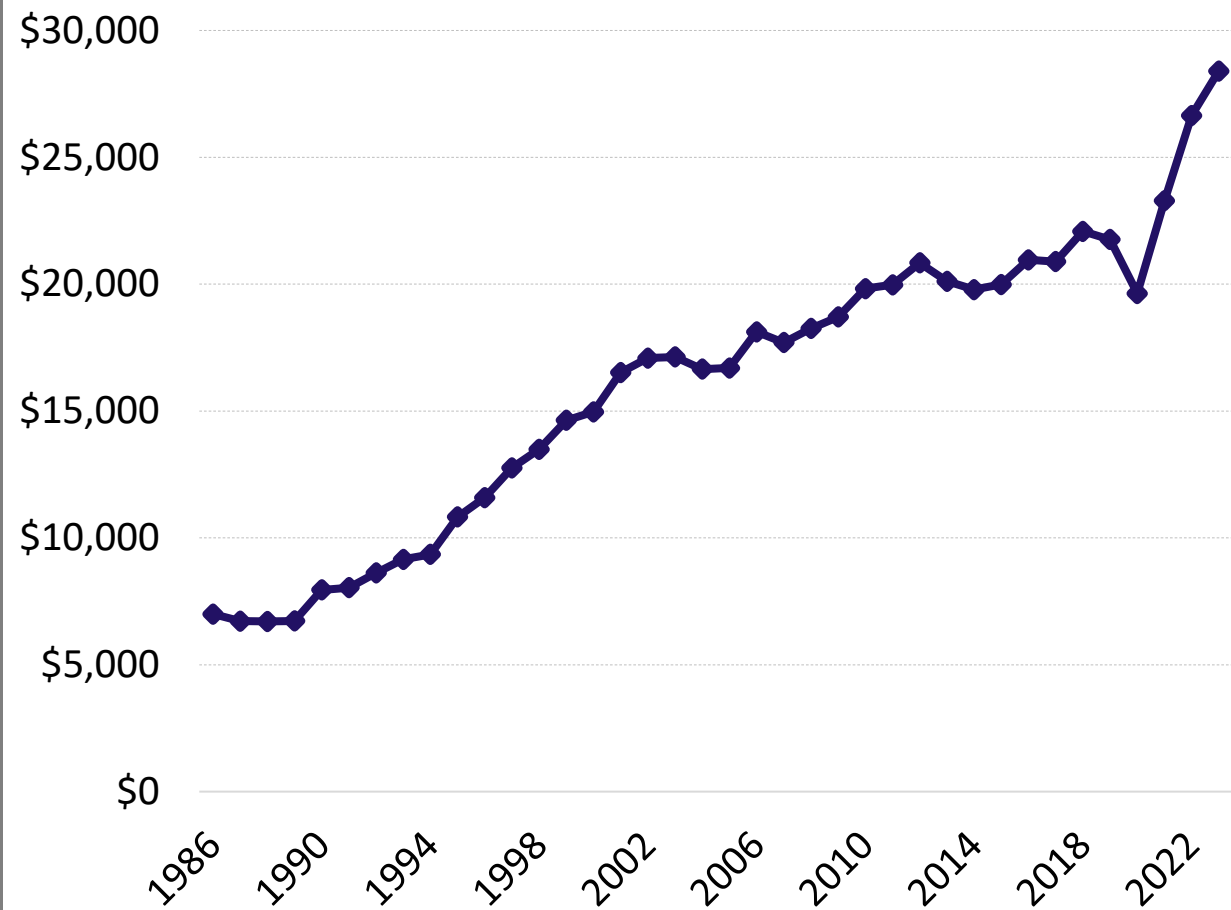


Total FY 2024 Expenditures = \$64.7 million

Retroactive Program claims

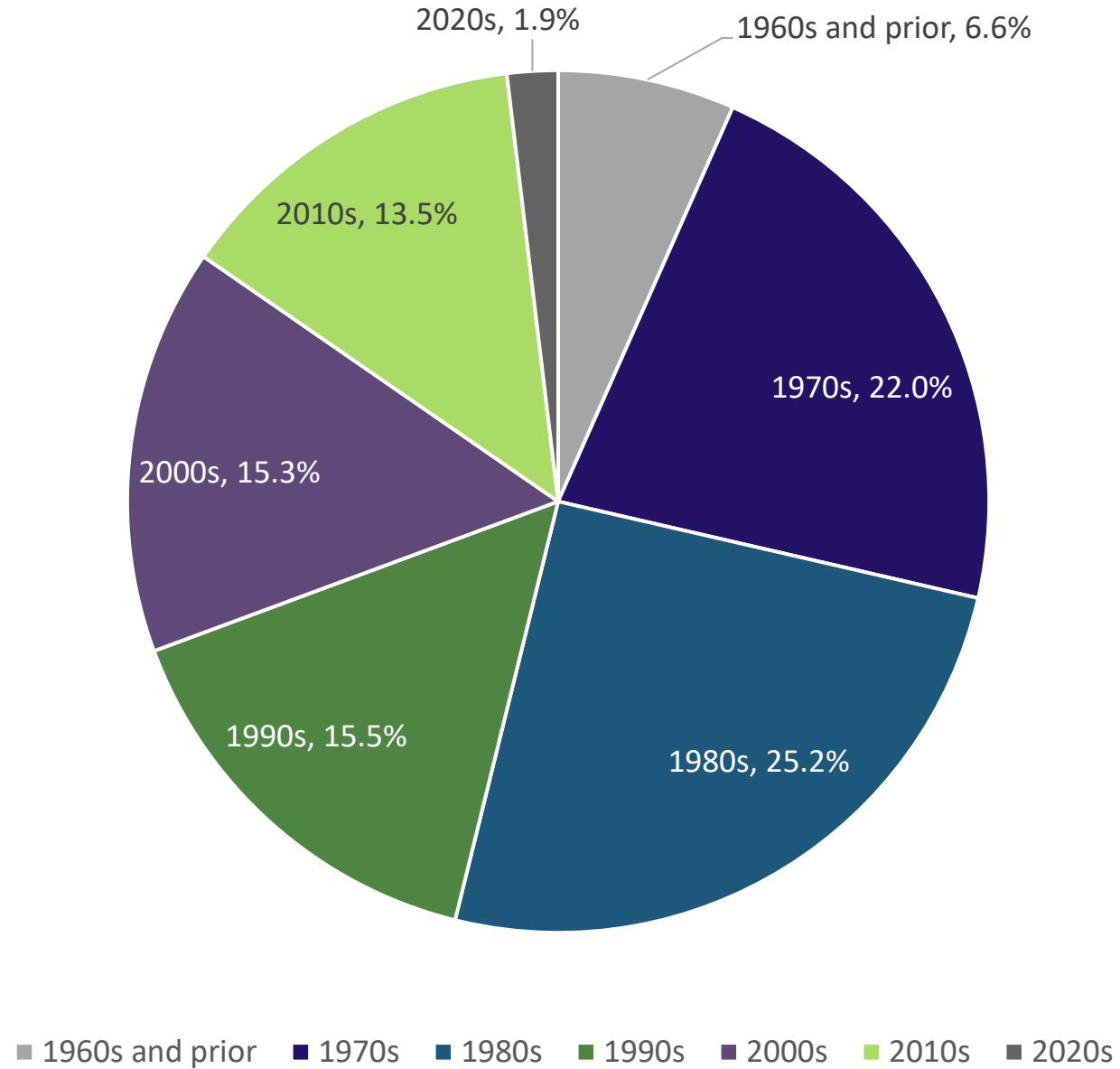


Retroactive Program average payment



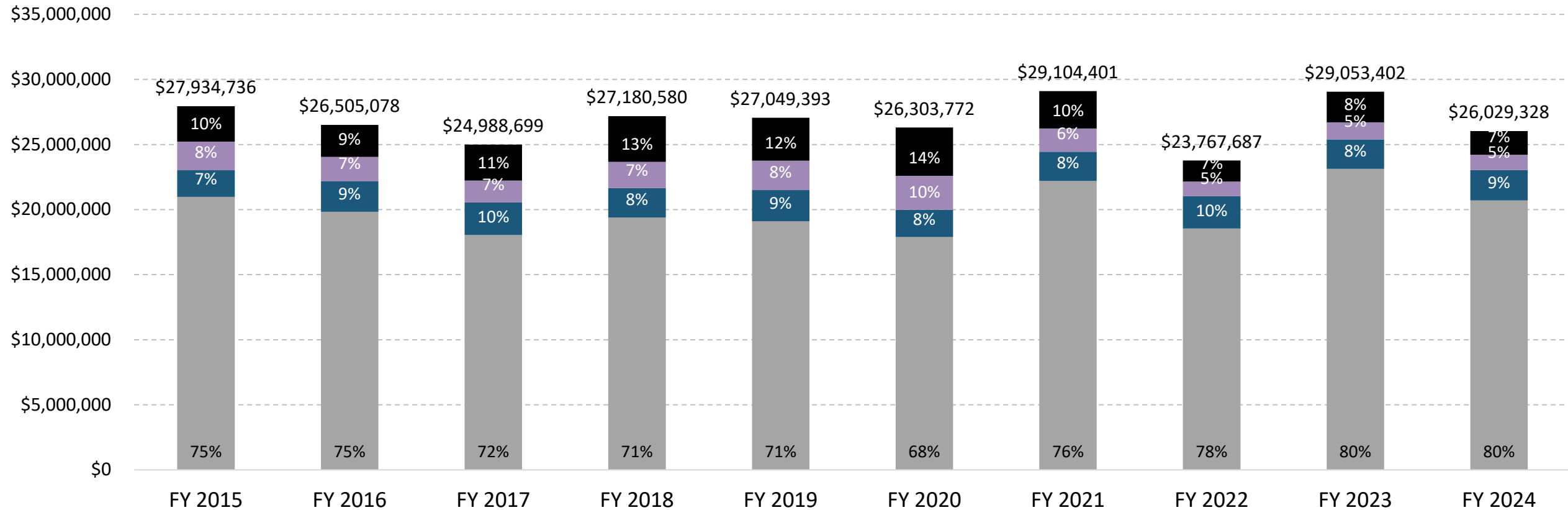
- Retroactive Program claims continue to decline as the number of eligible beneficiaries declines.
- The average payment per claim has increased gradually as the average weekly wage has increased.

Percent of Retroactive Program claims by decade of injury



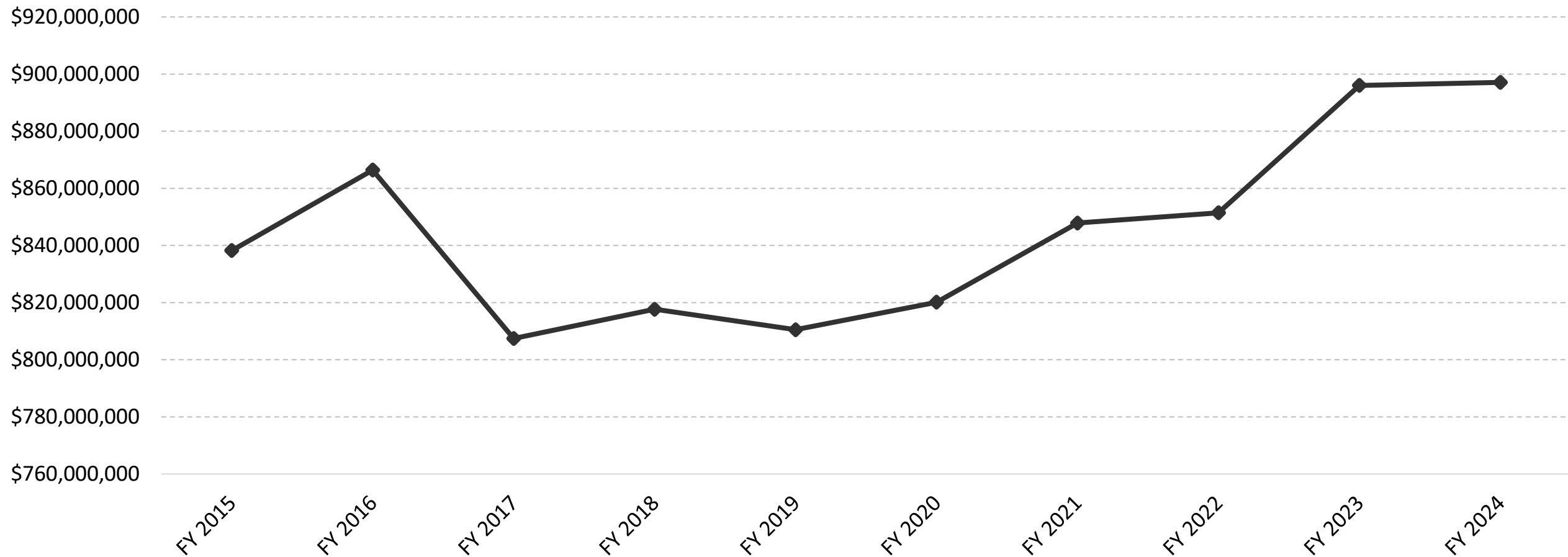
Reemployment Assistance Program Expenditures

■ EAIP ■ PWP Claim Costs ■ PWP Wage Subsidies ■ PWP Worksite Modification, Purchases



- The Employer-at-Injury Program (EAIP) accounts for more than 75 percent of the Reemployment Assistance Program expenditures.
- The wage subsidy for the EAIP increased from 45 percent to 50 percent effective Jan. 1, 2020, in accordance with OAR 436-105.

WBF Liability



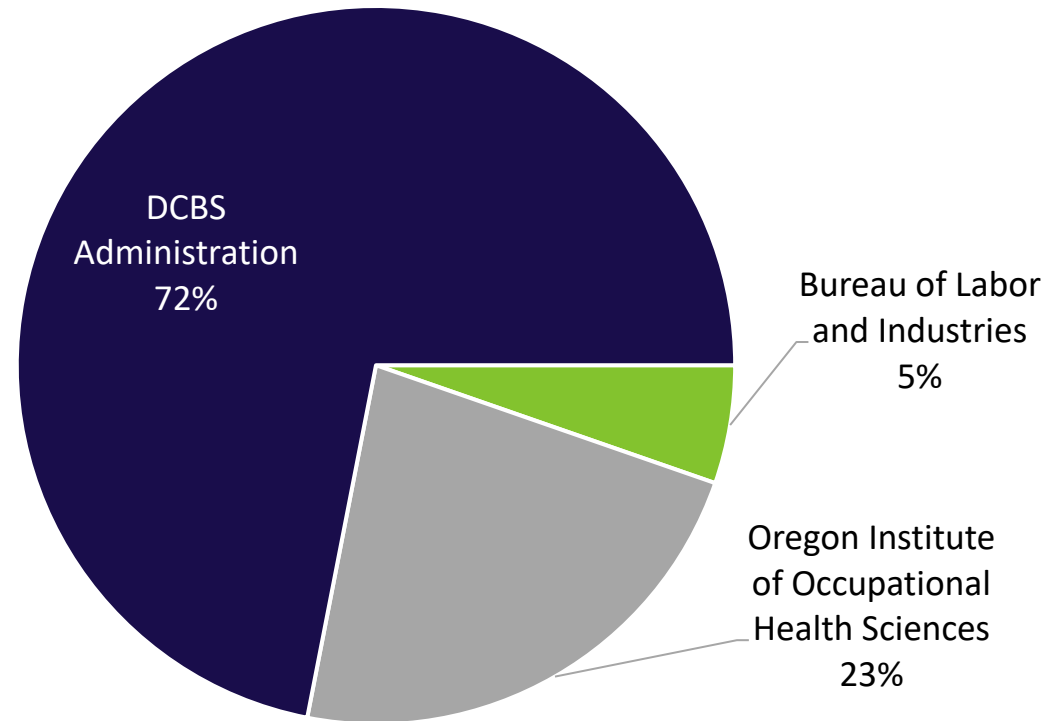
- WBF has a large long-term liability that is not currently funded.
- This liability is how much we anticipate WBF would have to pay for those claimants currently receiving some type of WBF benefit through the end of their claim.

- The Retroactive Program makes up the majority of expected future liability of the WBF.

WBF long-term liability at 6/30/2024

Retroactive Program	834,584,918
Reemployment Assistance	43,558,733
Reopened Claims	17,920,858
Workers with Disabilities	848,641
Self-insured Employer Group Claims	170,652
Total	897,083,802

FY 2024 WBF Administrative Expenditure Distribution



Total FY 2024 = \$8.7 million

