



# NOTICE TO OREGON EMPLOYERS

Oct. 21, 2019

## What Employers Will Pay for Workers' Compensation in 2020

**Please share this notice with your payroll and risk management staff**

- **Insurance premium:** The pure premium rate for 2020 will decrease by an average 8.4 percent compared with 2019. Pure premiums are the base rates, before insurer costs are added. The impact on your company's rate depends on a variety of factors, including industry and actual claim experience. Your next policy renewal with your insurer will reflect this change.
- **Premium assessment:** Insurance companies (on your behalf), self-insured employers, and self-insured employer groups pay an assessment to the state to administer workers' compensation and workplace safety programs. The assessment will increase from 7.8 percent to 8.4 percent of premiums paid. Self-insured employers and self-insured employer groups pay an additional amount into a reserve fund to pay claims in the event of an insolvency.

Self-insured employers pay 8.5 percent in 2020. Public-sector self-insured employer groups pay 8.5 percent. Private-sector self-insured employer groups pay 8.9 percent.

### Employer Payroll Information

**Workers' Benefit Fund (cents-per-hour) assessment:** Employers and employees split this assessment, which employers collect through payroll. **Starting Jan. 1, 2020, this assessment will decrease from 2.4 cents to 2.2 cents per hour** or partial hour worked by each individual that an employer must cover or chooses to provide with workers' compensation coverage.

Employers must pay at least half the amount (1.1 cents per hour) and deduct no more than half from workers' wages.

Each quarter, employers use Forms OQ and OTC to report and pay the assessment through Oregon's Combined Payroll Tax Reporting System. For information about calculating the assessment, visit [oregon.gov/DCBS/Pages/wbf.aspx](http://oregon.gov/DCBS/Pages/wbf.aspx), email [wbfassess.fabs@oregon.gov](mailto:wbfassess.fabs@oregon.gov), or call 503-378-2372.

This fund pays for benefits to injured workers and their beneficiaries. The fund also helps injured workers return to work.

For more information about workers' compensation costs:

- Contact your insurer.
- Call the Oregon Department of Consumer and Business Services at 800-452-0288 (toll-free) or visit <http://www.oregon.gov/DCBS/cost/Pages/index.aspx>.



Oregon Department of  
Consumer and Business Services  
350 Winter St. NE  
P.O. Box 14480  
Salem, OR 97309-0405

**2020 Workers' Compensation  
Premium Rate Notice Enclosed**

**Return-to-work Programs Benefit Oregonians**

Whether bringing back your injured worker or hiring a new employee, Oregon's return-to-work programs can save your business money, reduce risk, and even help your business grow.

The **Employer-at-Injury Program** helps offset your costs while you provide transitional work for workers who are recovering from an injury. Wage subsidy, worksite modification, and equipment and training are available to help save money and retain valuable employees. Contact your workers' compensation insurer or email the EAI program at [caip.oregon@oregon.gov](mailto:caip.oregon@oregon.gov) to learn more.

The **Preferred Worker Program** provides substantial cost savings and benefits to your business when you hire or retain a preferred worker. Incentives such as wage subsidy and premium exemption, and hiring or retaining a preferred worker will produce savings for up to three years. Benefits for preferred workers include tools, training, and worksite modification. Hiring a preferred worker can even reduce your workers' compensation costs.

To learn more, call 800-445-3948 (toll-free), email [pwp.oregon@oregon.gov](mailto:pwp.oregon@oregon.gov), or visit [www.oregonpwp.com](http://www.oregonpwp.com).