



NOTICE TO OREGON EMPLOYERS

Oct. 25, 2021

Workers' Compensation and Workers' Benefit Fund Assessment Rates for 2022

Please share this notice with your payroll and risk management staff

- **Insurance premium:** The pure premium rate for 2022 will decrease by an average 5.8 percent compared with 2021. Pure premiums are the base rates, before insurer costs are added. The effect 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 9.0 percent to 9.8 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 9.9 percent in 2022. Public-sector self-insured employer groups pay 9.9 percent. Private-sector self-insured employer groups pay 10.3 percent.

Workers' Benefit Fund Assessment Rate

Workers' Benefit Fund (cents-per-hour) assessment: Employers and employees split this assessment, which employers collect through payroll. **Starting Jan. 1, 2022**, this assessment **will see no change, remaining at 2.2 cents per hour** or partial hour worked by each person 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, email wbfassess.fabs@dcbs.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 oregon.gov/DCBS/cost/Pages/index.aspx.



Department of
Consumer and
Business Services

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2022 Rate Notice for Workers' Compensation and Workers' Benefit Fund

Important facts: New coverage requirements

The 2021 Legislature made several changes to workers' compensation coverage requirements that employers need to know.

New casual labor requirements. Casual labor is labor that costs less than a certain amount. If an employer's payroll is always below this amount within any 30-day period, it is not required to provide workers' compensation coverage.

Under current law, labor that costs less than \$500 is considered casual. Starting Jan. 1, 2022, labor that costs less than \$1,000 will be considered casual. This amount may be adjusted in the future based on changes to Oregon's average weekly wage.

New definition of worker. Oregon employers must provide workers' compensation coverage to all "workers," except those who are covered by specific exemptions.

Starting Jan. 1, 2022, a worker will be defined as any person who performs services for remuneration and is not an independent contractor. Most employers and workers will not be affected by this change. However, some employers may need to provide coverage to people who did not previously qualify as workers.

Find out more about how to determine if a person is a worker or an independent contractor at <https://www.oregon.gov/IC/pages/index.aspx>. You can also contact your producer/broker, your insurer, or the Small Business Ombudsman at 503-378-4209 or wc.advocate@dcbbs.oregon.gov.