

2006 Oregon Workers' Compensation Premium Rate Ranking Summary

Department of Consumer & Business Services

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Oregon employers in the voluntary market pay, on average, the 42nd highest workers' compensation premium rates in the nation.

Oregon's premium rate index is \$1.97 per \$100 of payroll, or 79 percent of the national median. National premium rate indices range from a low of \$1.10 in North Dakota to a high of \$5.00 in Alaska, with a median value of \$2.48.

Two jurisdictions have an index rate above \$4; 10 are in the \$3.00-\$3.99 range; 29 are in the \$2.00-\$2.99 range; and 10 have indices under \$2.00. Indices are based on data from 51 jurisdictions, for rates in effect as of January 1, 2006.

Classification codes from the National Council on Compensation Insurance (NCCI) were used in this study.

Figure 1. 2006 Workers' compensation premium index rates

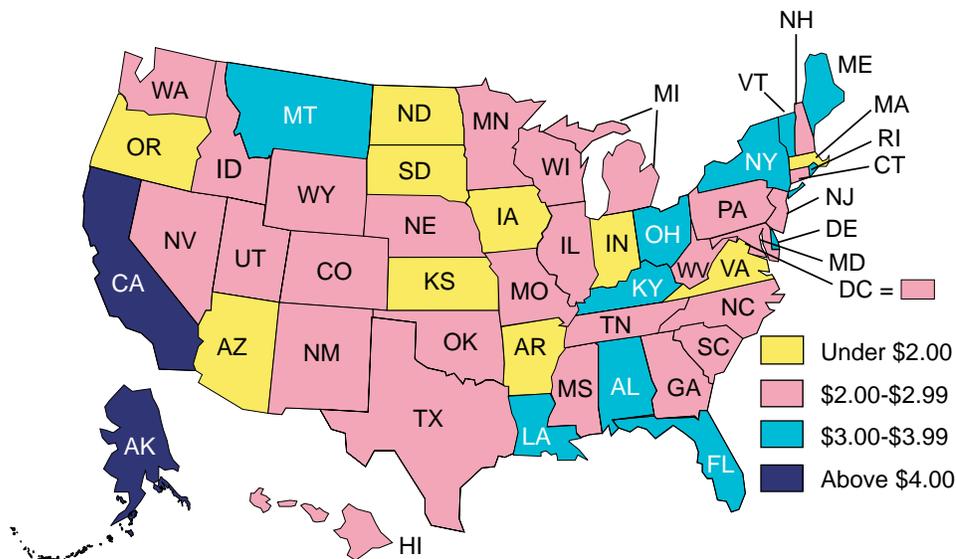


Table 1. Oregon's ranking in the top 10 classifications

Occupation	Ranking
Clerical office employees NOC	48
Salespersons - Outside	47
College: Professional employees & clerical	45
Physician and clerical	32
Restaurant NOC	39
Store: Retail, NOC	45
Hospital: Professional employees	36
Automobile service/repair center & drivers	36
Trucking: NOC - All employees & drivers	30
Electrical wiring - Within buildings & drivers	49

Of the approximately 450 active classes in Oregon, 50 were selected based on relative importance as measured by share of losses in Oregon. To control for differences in industry distributions, each state's rates were weighted by 2000-2002 Oregon payroll to obtain an average manual rate for that state. Listed in Table 1 are Oregon's rankings in the top 10 of the 50 classifications used.

Table 2 (on the back) contains the premium rate ranking for all 51 jurisdictions.

Table 2. Workers' compensation premium rate ranking

2006 Ranking	2004 Ranking	State	Index Rate	Percent of study median	Effective Date
1	2	Alaska	5.00	201%	January 1, 2006
2	1	California	4.13	166%	January 1, 2006
3	7	Delaware	3.91	158%	December 1, 2005
4	6	Kentucky	3.78	152%	October 1, 2005
5	8	Montana	3.69	149%	July 1, 2005
6	3	Florida	3.32	134%	January 1, 2006
7	17	Vermont	3.24	130%	April 1, 2005
8	13	Maine	3.21	129%	January 1, 2006
9	19	Alabama	3.17	128%	March 1, 2005
10	18	New York	3.15	127%	October 1, 2005
11	9	Louisiana	3.10	125%	September 1, 2005
12	5	Ohio	3.00	121%	July 1, 2005
13	15	Oklahoma	2.96	119%	2/1/06 State Fund, 7/1/05 Private
14	11	Connecticut	2.90	117%	January 1, 2006
15	4	Hawaii	2.89	116%	January 1, 2006
16	10	District of Columbia	2.86	115%	November 1, 2005
17	14	Texas	2.84	114%	January 1, 2006
18	20	Pennsylvania	2.80	113%	April 1, 2005
19	12	New Hampshire	2.75	111%	January 1, 2006
20	23	Illinois	2.69	108%	January 1, 2006
21	21	Minnesota	2.69	108%	January 1, 2006
22	16	Rhode Island	2.68	108%	January 1, 2006
23	29	New Jersey	2.52	102%	January 1, 2006
24	22	Missouri	2.50	101%	January 1, 2006
25	39	South Carolina	2.50	101%	July 1, 2004
26	25	Tennessee	2.48	100%	July 1, 2005
27	27	New Mexico	2.41	97%	January 1, 2006
28	28	Wyoming	2.40	96%	January 1, 2006
29	31	Colorado	2.40	96%	January 1, 2006
30	26	Nevada	2.36	95%	January 1, 2005
31	36	Mississippi	2.29	92%	March 1, 2005
32	34	Idaho	2.29	92%	January 1, 2006
33	38	Nebraska	2.25	91%	February 1, 2005
34	24	West Virginia	2.20	88%	January 1, 2006
35	33	Wisconsin	2.18	88%	October 1, 2005
36	35	Washington	2.17	88%	January 1, 2006
37	32	North Carolina	2.17	87%	April 1, 2005
38	46	Utah	2.06	83%	December 1, 2005
39	30	Michigan	2.05	82%	January 1, 2006
40	40	Maryland	2.03	82%	January 1, 2006
41	37	Georgia	2.02	82%	July 1, 2005
42	42	OREGON	1.97	79%	January 1, 2006
43	44	Kansas	1.84	74%	January 1, 2006
44	41	South Dakota	1.83	74%	July 1, 2005
45	43	Iowa	1.75	71%	January 1, 2006
46	49	Arizona	1.73	70%	October 1, 2005
47	45	Massachusetts	1.70	68%	September 1, 2005
48	48	Arkansas	1.59	64%	July 1, 2005
49	47	Virginia	1.52	61%	November 1, 2005
50	50	Indiana	1.24	50%	January 1, 2006
51	51	North Dakota	1.10	44%	July 1, 2005

Although some states may appear to have the same index rate, the ranking is based on calculations prior to rounding to two decimal places. The index rates reflect appropriate adjustments for the characteristics of each individual state's residual market. Rates vary by classification and insurer in each state. Actual cost to an employer can be adjusted by the employer's experience rating, premium discount, retrospective rating, and dividends.

Employers can reduce their workers' compensation rates through accident prevention, safety training, and by helping injured workers return to work.

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