

# OREGON DEPARTMENT OF INSURANCE AND FINANCE

## Research and Analysis Section



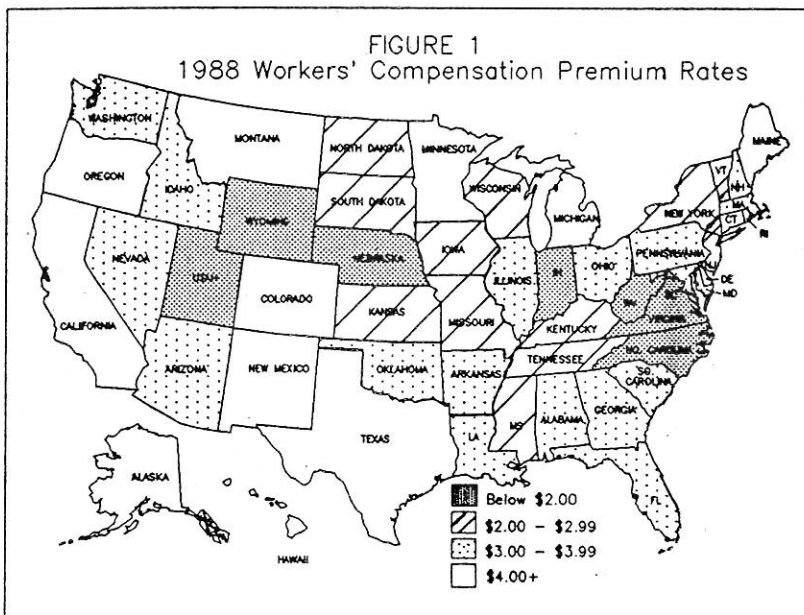
### 1988 Workers' Compensation State Ranking

Oregon employers are paying, on average, the 8th highest workers' compensation premium rates in the nation. Due to Oregon's successful cost-containment measures and dramatic changes in premium rates in several states, Oregon's position represents a drop from its 1986 position of 6th.

The premium rate index in Oregon is \$4.86 per \$100 of payroll. Premium rate indices range from a low of \$1.04 in Wyoming to \$6.50 in Hawaii. Fourteen jurisdictions have premium rates above \$4.00; eighteen have rates in the \$3.00-\$3.99 range; twelve have rates in the \$2.00-\$2.99 range and seven have rates under \$2.00 (see Figure 1 below). The indices are based on data from 51 jurisdictions for rates in effect during 1988.

The National Council on Compensation Insurance (NCCI) Classification Codes were used in this study. Of the 517 active classifications in Oregon, 50 were selected based on relative importance as measured by percent of losses. To control for differences in industry distributions, each state's rates were weighted by Oregon payroll in the selected classifications. Listed below is Oregon's ranking in the top ten of the fifty payroll classifications used:

<u>Occupations</u>	<u>Ranking</u>
Clerical Office Employees	5
Colleges or Schools Professional	13
Salespeople Collectors Outside	8
Restaurants	3
Hospitals Professional Employees	7
Truckers	4
Meat Combined Grocery Retail	23
Logging or Lumbering	14
Store Risks Retail	3
Telephone Apparatus Mfg	22



The following table on the back contains the premium rate ranking for all 50 states.

**Table 1**  
**Workers' Compensation Premium Rate Ranking**

1988 Rank	State	Index Rate	1988 Rank	State	Index Rate
1	Hawaii	6.50	27	Idaho	3.38
2	California	5.32	28	Nevada	3.28
3	Montana	5.11	29	Ohio	3.25
4	Rhode Island	5.08	30	Arkansas	3.18
5	District of Columbia	5.07	31	Alabama	3.18
6	Alaska	4.99	32	South Carolina	3.09
7	Colorado	4.97	33	New York	2.98
8	OREGON	4.86	34	Mississippi	2.85
9	New Mexico	4.76	35	Iowa	2.79
10	Texas	4.41	36	Kentucky	2.71
11	Minnesota	4.33	37	New Jersey	2.66
12	Maine	4.28	38	Tennessee	2.63
13	Connecticut	4.25	39	South Dakota	2.63
14	Michigan	4.04	40	Missouri	2.60
15	Florida	3.94	41	Wisconsin	2.59
16	Georgia	3.87	42	North Dakota	2.39
17	Washington	3.81	43	Vermont	2.26
18	Pennsylvania	3.79	44	Kansas	2.21
19	Louisiana	3.77	45	Utah	1.96
20	Massachusetts	3.67	46	Nebraska	1.93
21	Illinois	3.58	47	Virginia	1.91
22	Delaware	3.57	48	West Virginia	1.74
23	New Hampshire	3.57	49	North Carolina	1.57
24	Oklahoma	3.56	50	Indiana	1.57
25	Arizona	3.42	51	Wyoming	1.04
26	Maryland	3.42			

Within each state, rates vary by classification and insurer. 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 to return to work.

440/2082 (12/88)

*Detailed Ranking Report available from the DIF  
Research & Analysis Section, at (503) 378-8254*

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