

1994 Workers' Compensation Premium Rate Ranking

RESEARCH & ANALYSIS SECTION

Oregon Department of Consumer & Business Services

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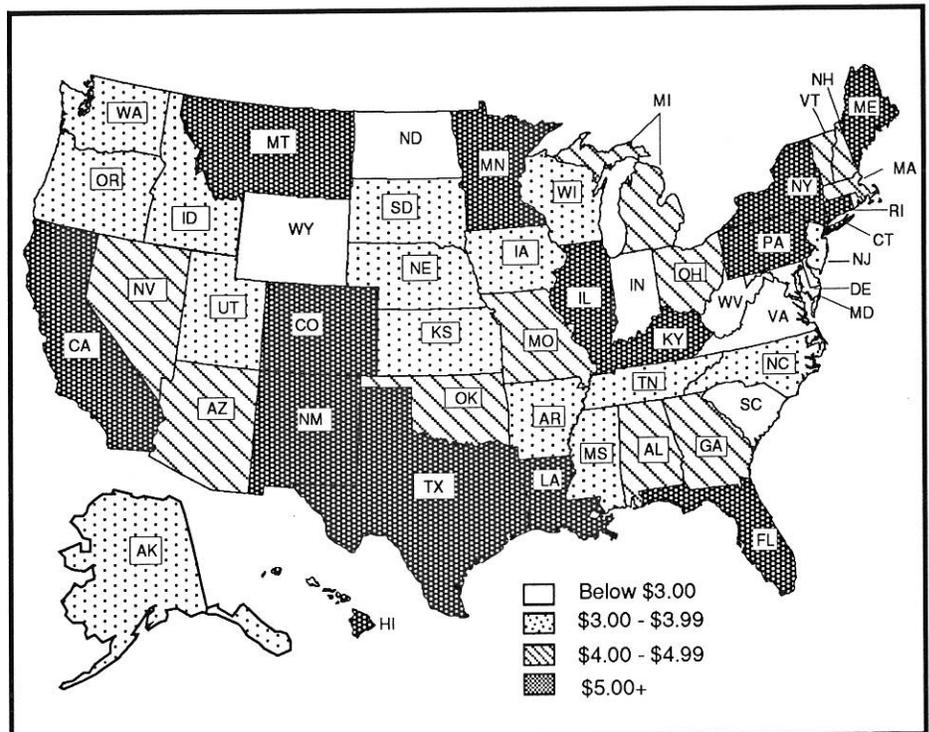
Oregon employers pay, on average, the 32nd highest workers' compensation insurance premium rates in the nation. This represents a significant drop from Oregon's 1992 position of 22nd.

Oregon's premium rate index is \$3.70 per \$100 of payroll. National premium rate indices range from a low of \$2.26 in Indiana to a high of \$6.98 in Louisiana. Sixteen jurisdictions have premium rates above \$5.00; 12 are in the \$4.00 - \$4.99 range; 17 more are in the \$3.00 - \$3.99 range; and six are under \$3.00. Indices are based on data from 51 jurisdictions for rates in effect as of May 1, 1994.

Classification codes from the National Council on Compensation Insurance (NCCI) were used in this study. Of the 557 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 1988-1990 payroll in the selected classifications. Listed below are Oregon's rankings in the top 10 of the 50 classifications used:

Figure 1
1994 Workers' Compensation Premium Rates

OCCUPATIONS	RANKING
Clerical Office Employees	27
College or School Professionals	43
Salespeople/Collectors-Outside	42
Restaurants	20
Hospital Professionals	38
Retail Stores	22
Trucking	26
Logging or Lumbering	43
Meat/Grocery Combined- Retail	33
Saw Mills	47



A table on the back contains the premium rate ranking for all 51 jurisdictions.



Table 1
Workers' Compensation Premium Rate Ranking

1994 Rank	State	Index Rate	1994 Rank	State	Index Rate
1	Louisiana	6.98	27	Vermont	4.21
2	Montana	6.91	28	Arizona	4.18
3	Hawaii	6.06	29	Alaska	3.92
4	Texas	5.91	30	Idaho	3.88
5	Maine	5.87	31	South Dakota	3.88
6	Rhode Island	5.75	32	OREGON	3.70
7	New Mexico	5.75	33	Mississippi	3.70
8	Florida	5.72	34	Arkansas	3.69
9	Illinois	5.48	35	Utah	3.62
10	Kentucky	5.46	36	Tennessee	3.60
11	New York	5.38	37	New Jersey	3.58
12	Connecticut	5.34	38	Kansas	3.49
13	Minnesota	5.29	39	Iowa	3.47
14	Colorado	5.28	40	North Carolina	3.41
15	California	5.04	41	Washington	3.33
16	Pennsylvania	5.02	42	Nebraska	3.31
17	Massachusetts	4.98	43	Delaware	3.18
18	Oklahoma	4.86	44	Wisconsin	3.17
19	District of Columbia	4.83	45	Maryland	3.08
20	Alabama	4.78	46	West Virginia	2.93
21	New Hampshire	4.73	47	South Carolina	2.91
22	Nevada	4.55	48	Wyoming	2.84
23	Michigan	4.54	49	Virginia	2.76
24	Georgia	4.52	50	North Dakota	2.53
25	Ohio	4.42	51	Indiana	2.26
26	Missouri	4.35			

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 to return to work.