



NOTICE TO OREGON EMPLOYERS

OCTOBER 23, 2007

WHAT EMPLOYERS WILL PAY FOR WORKERS' COMPENSATION IN 2008:

- Workers' compensation insurance premiums: The average pure premium rate will decline by 2.3 percent from the average 2007 level. Pure premiums are the base rates, before insurer costs are added.
- Workers' Benefit Fund ("cents-per-hour") assessment: 2.8 cents per hour or partial hour worked by each paid employee subject to workers' compensation coverage, unchanged from 2.8 cents per hour in 2007.
- Premium assessment: 4.6 percent for 2008, based on premiums paid, unchanged from 4.6 percent in 2007.

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

2008 Workers' Compensation Insurance Average Premium Rate

The Department of Consumer & Business Services has determined that the average pure premium rate Oregon employers will pay for workers' compensation insurance in 2008 will decrease by 2.3 percent from the average 2007 level. The pure premium rate is the base premium reflecting the actual cost of workplace injury and illness claims, before insurer administrative expenses and profit are added. This is the second consecutive year the rate has decreased, following four years in a row with no change in the rate. Prior to that, there were 12 consecutive annual decreases from 1991 to 2002. The cumulative decrease in pure premiums since 1990 totals 59.2 percent and represents an estimated \$14.5 billion in workers' compensation premium savings to employers. *The 2008 rate decrease of 2.3 percent represents an average across all types of businesses. Rates for specific businesses and industry groups may be higher or lower, depending on group and individual claim records. Employers pay their premiums directly to their insurers. Premiums do not fund state programs or services.*

2008 Workers' Benefit Fund Assessment ("Cents-Per-Hour") Rate

For calendar year 2008, the Department of Consumer & Business Services has set the Workers' Benefit Fund assessment rate at 2.8 cents, unchanged from 2.8 cents in 2007. This applies to each hour or partial hour worked by each paid employee provided with workers' compensation insurance coverage. This fund pays for certain programs that provide direct benefits to injured workers and their beneficiaries. The fund also provides money to help employers help injured workers return to work. Employers who fail to provide workers' compensation coverage required by law are still subject to the assessment, which will be collected retroactively. *The rate of 2.8 cents per hour is the employer's and worker's rate combined. Employers pay at least half (1.4 cents per hour) of this assessment and deduct no more than half of it from workers' wages. Employers then submit the total to the state through Oregon's Combined Payroll-Tax Reporting System.*

2008 Workers' Compensation Premium Assessment Rate

Effective Jan. 1, 2008, the assessment used to fund workers' compensation related programs and workplace safety and health programs that serve Oregon employers and workers will be set at an amount equal to 4.6 percent of the premiums charged for workers' compensation coverage. The 2008 premium assessment rate of 4.6 percent is unchanged from the rate effective during 2007. Self-insured employers and self-insured employer groups will pay a rate of 4.8 percent. *Workers' compensation insurers, self-insured employers, and self-insured employer groups pay this assessment to the state. Insurers can pass on the cost of the assessment to the employers they cover, but must identify that cost as a separate line item on billing statements.*

For more information about workers' compensation costs, contact your insurer; call the Oregon Department of Consumer & Business Services, (800) 452-0288, or visit www.dcbcs.oregon.gov and click on "2008 Workers' comp. rate info."

Please see Page 3 of this mailing for important information about the Oregon Identity Theft Protection Act, a new law that took effect Oct. 1, 2007. The law contains several new requirements for businesses to protect Oregonians from identity theft.

Workers' Compensation Services for Employers

The Department of Consumer & Business Services provides many services to Oregon employers to help them lower workers' compensation costs, understand worker's compensation law, and improve workplace safety and health. The following is a sampling of those services.

Return-to-work assistance for both employers and injured workers

All parties benefit when injured workers return to gainful employment. The Workers' Compensation Division administers the Employer-at-Injury Program and the Preferred Worker Program, which are funded by worker and employer payroll assessments. Employers using these programs receive financial benefits. The Preferred Worker Program's "Job Match" Web site (go to www.oregonpwp.info and click "Job Match Postings") helps preferred workers (injured workers with permanent disabilities) connect with employers. Call (503) 947-7588.

Training

- ◆ The Workers' Compensation Division provides training, conferences, workshops, and speakers to help you understand workers' compensation issues. Training can be tailored to any audience, and some sessions offer continuing-education credit. Call (503) 947-7515.
- ◆ Oregon OSHA provides workshops on basic safety and health programs, safety committees, and accident investigation as well as technical training on specific topics such as ergonomics and excavations. For more information, call (503) 947-7443 or (888) 292-5247.

Safety and health consultations

Oregon OSHA offers no-cost, on-site safety and health assistance to help Oregon employers recognize and correct workplace safety and health problems. Call (503) 378-3272 or (800) 922-2689 or e-mail consult.web@state.or.us.

Safety and health recognition

Oregon OSHA recognizes employers for making a commitment to workplace safety and health through SHARP (Safety and Health Achievement Recognition Program) and VPP (Voluntary Protection Program). Call (503) 947-7437 or (800) 922-2689 or e-mail consult.web@state.or.us.

Small Business Ombudsman

The Small Business Ombudsman for workers' compensation serves as an advocate for employers. Employers looking for workers' compensation insurance coverage and needing assistance in claim processing or claim management may contact the office, (503) 378-4209.

Web sites

- ◆ The Workers' Compensation Division's Web site (www.wcd.oregon.gov) is tailored to the needs of employers, self-insured employers, injured workers, preferred workers, insurers, attorneys, medical providers, vocational providers, managed care organizations, and worker leasing companies. It offers rules and bulletins, forms, publications, and educational opportunities.
- ◆ The Oregon OSHA Web site (www.orosha.org) provides information on many health and safety topics, upcoming workshops, and links to rules, forms, and publications.
- ◆ You can sign up for e-mail notification on both sites.

More information

Workers' compensation questions? Call the Workers' Compensation Division at (800) 452-0288 or e-mail workcomp.questions@state.or.us.

Safety and health questions? Call Oregon OSHA at (503) 378-3272 or (800) 922-2689 or e-mail tech.web@state.or.us.

Did you know...

Oregon has a new identity theft protection law

The Oregon Consumer Identity Theft Protection Act, passed during the 2007 Legislature, creates strong standards for businesses to ensure the safety of sensitive data that can be used by identity thieves. The law contains several new requirements:

- **Protecting Social Security Numbers** – Effective Oct. 1, 2007. The law prohibits anyone who keeps Social Security numbers from printing them on any material that is mailed when the recipient has not requested it. The law also prohibits printing a Social Security number on a card used to access products or services, or publicly posting or displaying a Social Security number, such as on a Web site.
- **Notification of Security Breach** – Effective Oct. 1, 2007. Anyone who keeps personal identifying information about Oregonians must notify them if computer files containing that personal information have been subject to a security breach. The notification must be done as soon as possible — unless it would impede a criminal investigation — in writing, electronically, or by telephone.
- **Protecting Data** – Effective Jan. 1, 2008. Businesses must develop, implement, and maintain reasonable safeguards to ensure the security, confidentiality, and integrity of the personal identifying information they keep. This includes properly disposing of the information.

The law also allows Oregon consumers, effective Oct. 1, 2007, to place a security freeze on their credit file to help prevent identity theft.

For guidance on how to implement these new requirements, go to the Department of Consumer and Business Services Web site at www.dfcs.oregon.gov/id_theft.html or call (503) 378-4140 or toll-free (866) 814-9710.





DEPARTMENT OF
CONSUMER
& BUSINESS
SERVICES

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

PRSR STD
US POSTAGE
PAID
SALEM OR
PERMIT NO 24

**2008 Workers' Compensation
Premium Rate Information Enclosed**