

# STATE ADVISORY RESOURCES

Oregon Workers Compensation System  
September 2022

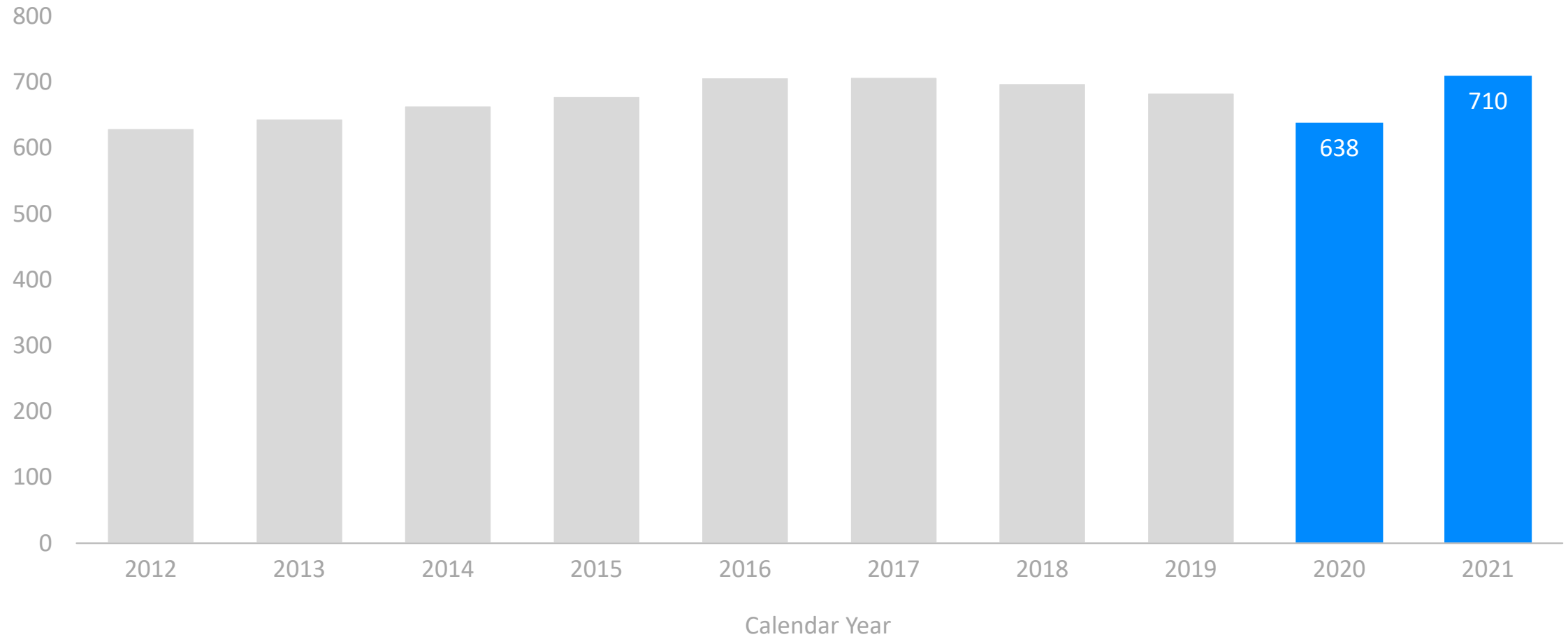


# Oregon Workers Compensation System—An Overview

- Written premium volume increased in the latest year
- Accident year combined ratios are over 100%
- Lost-time claim frequency continues to exhibit a long-term pattern of decline with a slight increase in the latest year
- Indemnity and medical severities exhibit some volatility

# Oregon Premium Volume

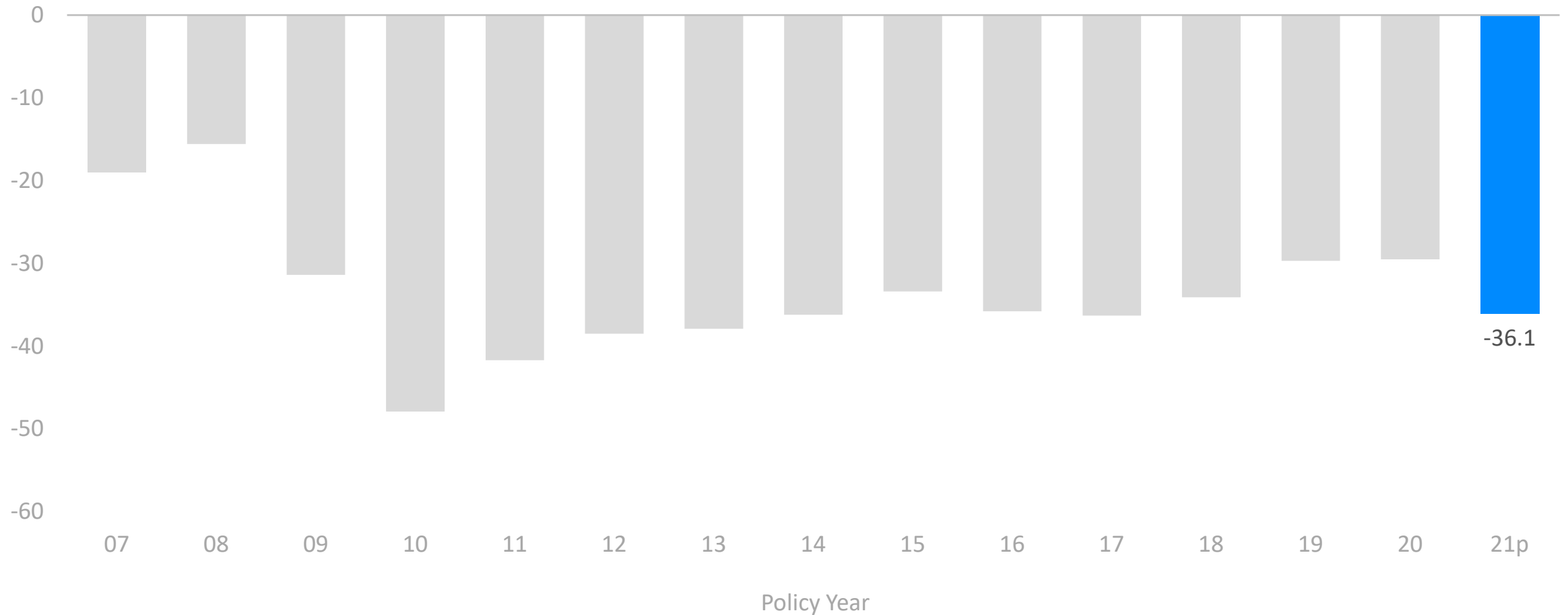
Direct Written Premium in \$ Millions



Source: NAIC's Annual Statement data.

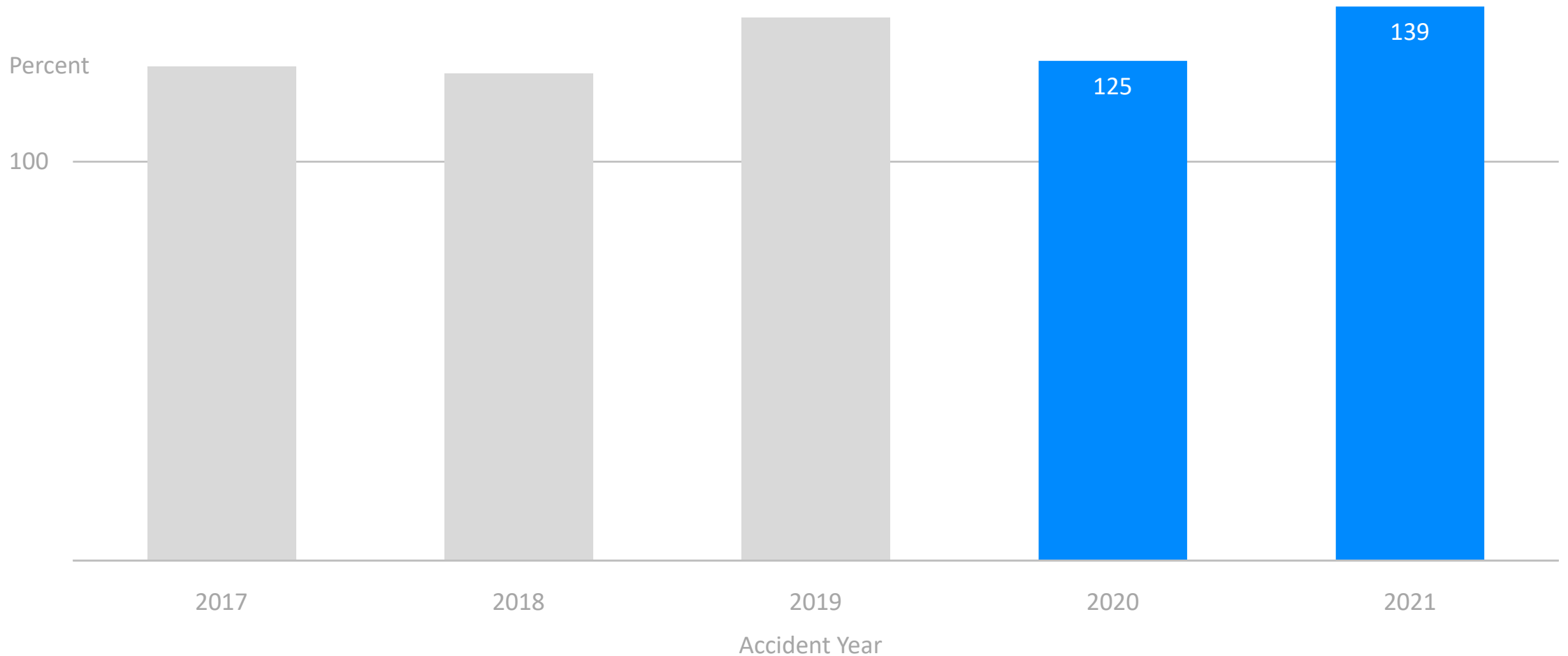


# Impact of Discounting on Workers Compensation Premium in Oregon



p Preliminary.  
Based on data through 12/31/2021.

# Oregon Combined Ratios

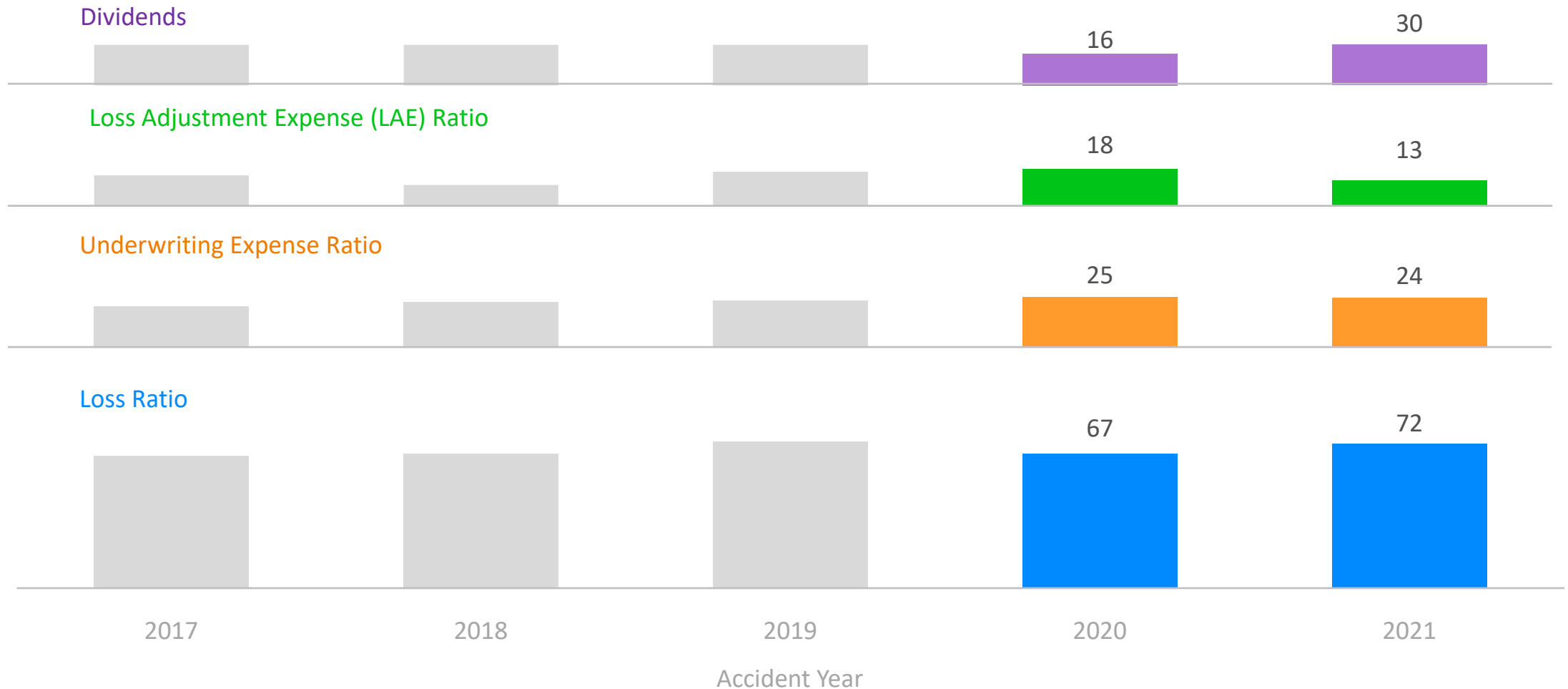


Sources: NCCI's Financial data through 12/31/2021 and NAIC's Annual Statement data.



# Oregon Combined Ratios by Component

Percent

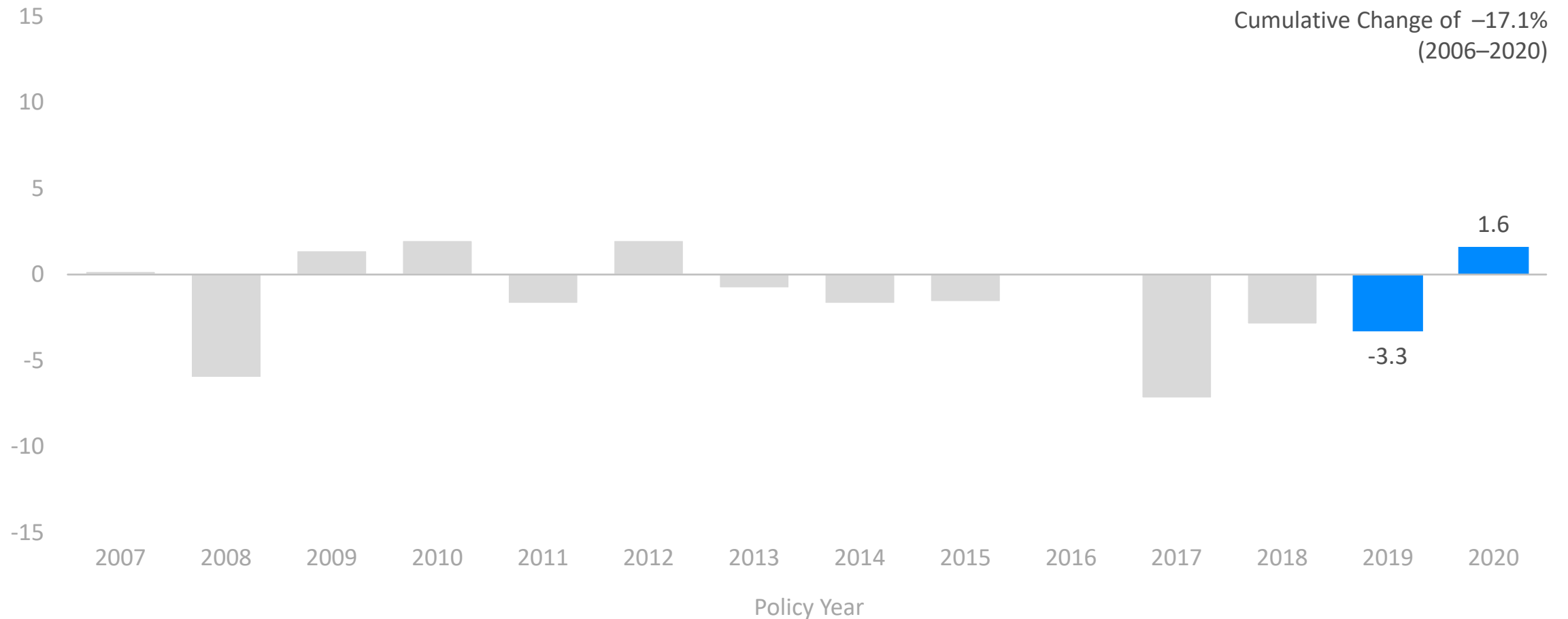


Sources: NCCI's financial data through 12/31/2021 and NAIC's Annual Statement data.



# Oregon Change in Claim Frequency

Percent Change in Lost-Time Claims, per \$ Million of On-Leveled Premium

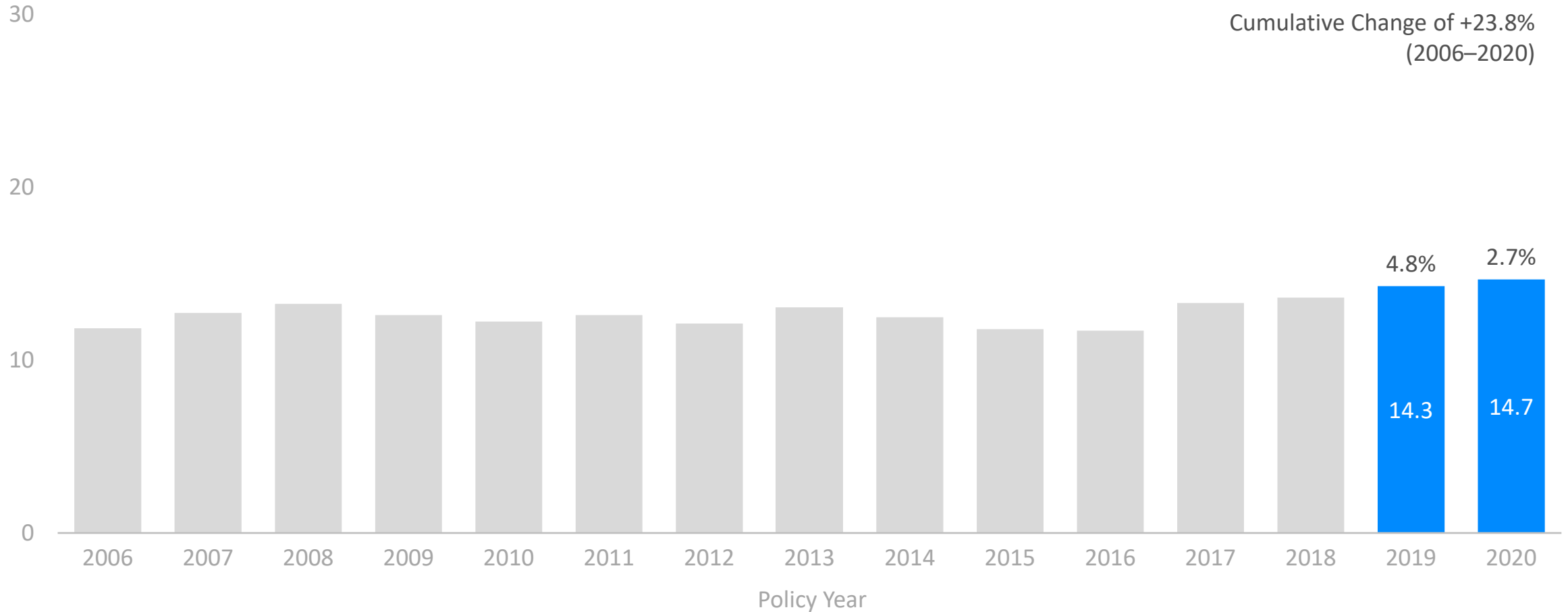


Based on NCCI's financial data through 12/31/2021, on-leveled, and developed to ultimate, with premium adjusted to common wage level.



# Oregon Average Indemnity Claim Severity

Lost-Time Claim Severity in \$ Thousands



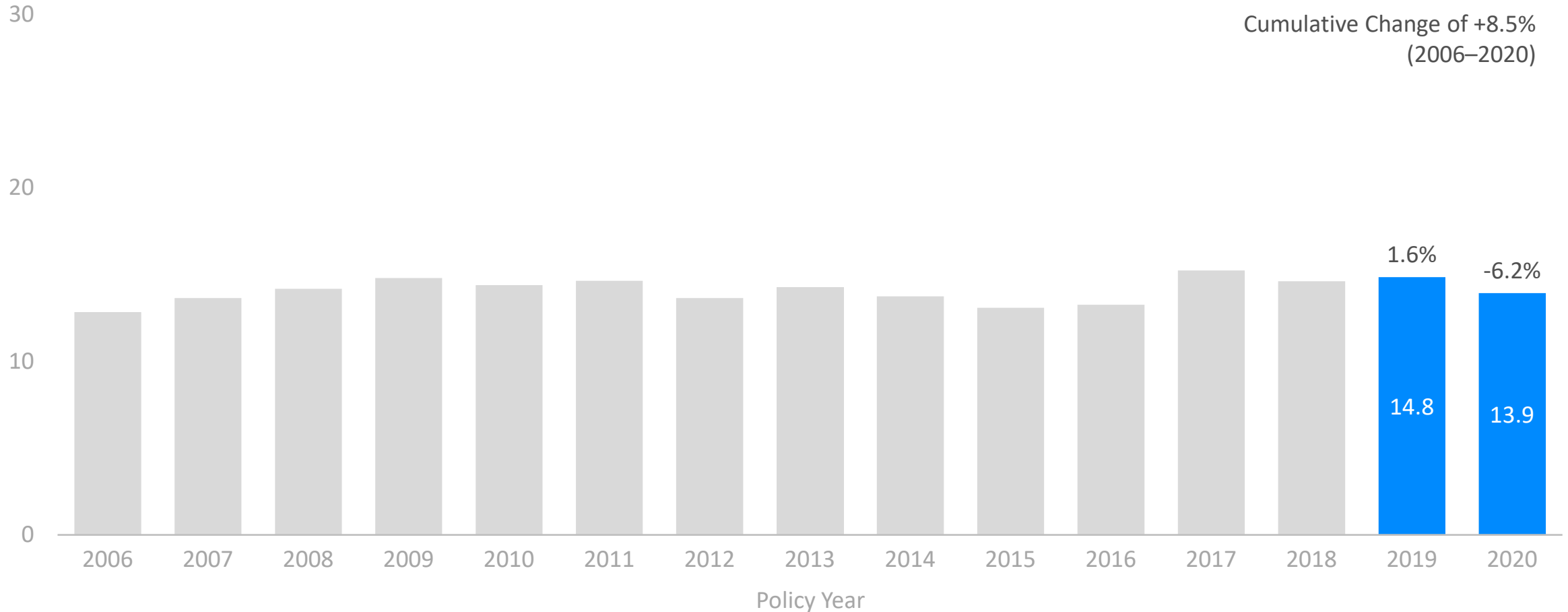
Based on NCCI's financial data through 12/31/2021, on-leveled, and developed to ultimate.





# Oregon Average Medical Claim Severity

Lost-Time Claim Severity in \$ Thousands

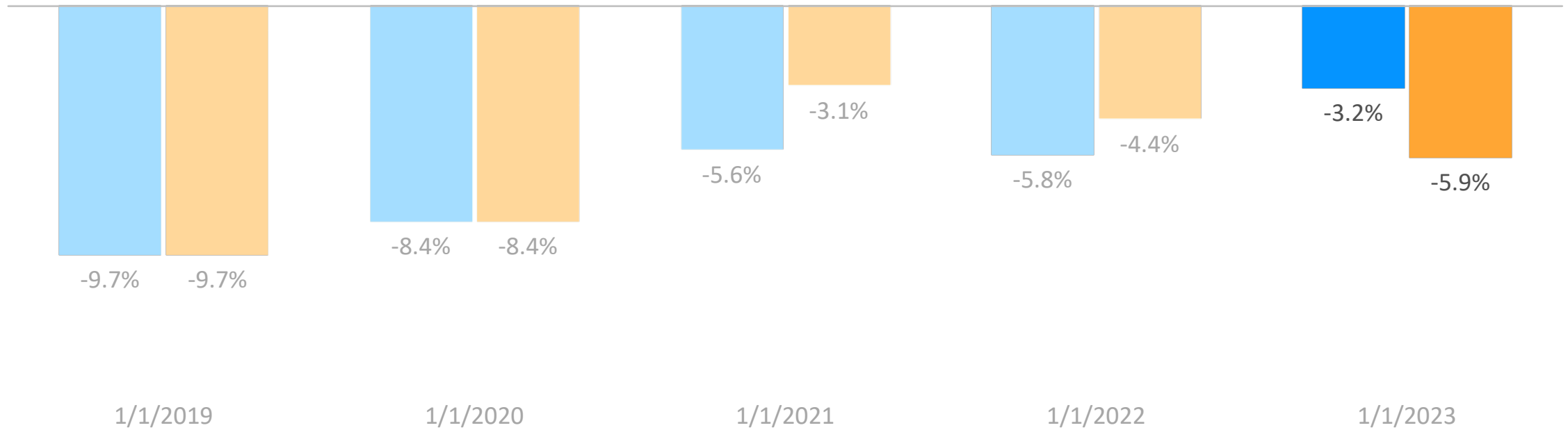


Based on NCCI's financial data through 12/31/2021, on-leveled, and developed to ultimate.  
Note that medical-only losses are included in the numerator.



# Oregon Filing Activity

Voluntary Loss Cost and Assigned Risk Rate Changes



# Oregon January 1, 2023 Loss Cost Filing

Change in Experience:	-5.7%
Change in Trend:	+2.7%
Change in Benefits:	+0.0%
Change in All Other:	+0.0%
<hr/>	
Overall Loss Cost Level Change:	-3.2%

# Oregon January 1, 2023 Loss Cost Filing

Average Changes by Industry Group



Manufacturing



Contracting



Office & Clerical

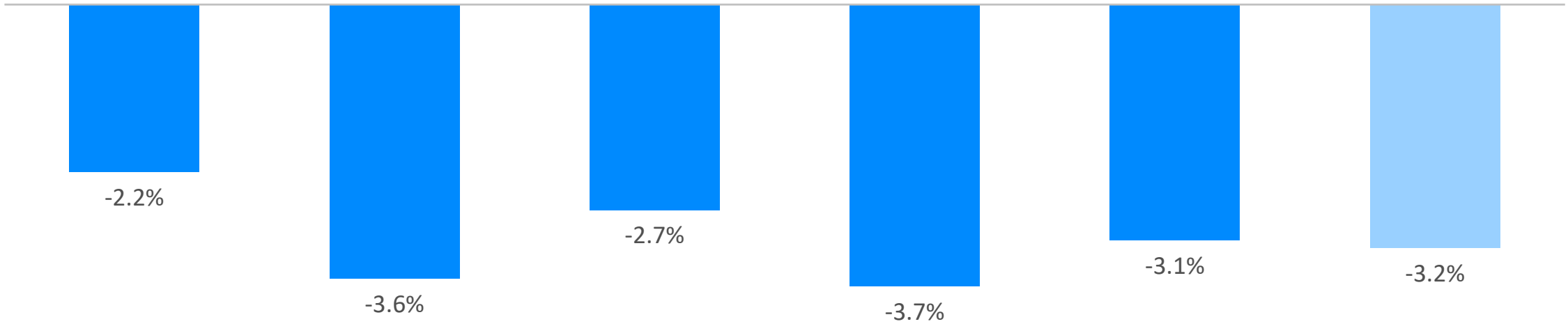


Goods & Services



Miscellaneous

Overall



# Oregon Economic Drivers



Technology



Manufacturing



Tourism

Source: Moody's Analytics.

# Oregon Economic Assets and Challenges

## ■ Assets

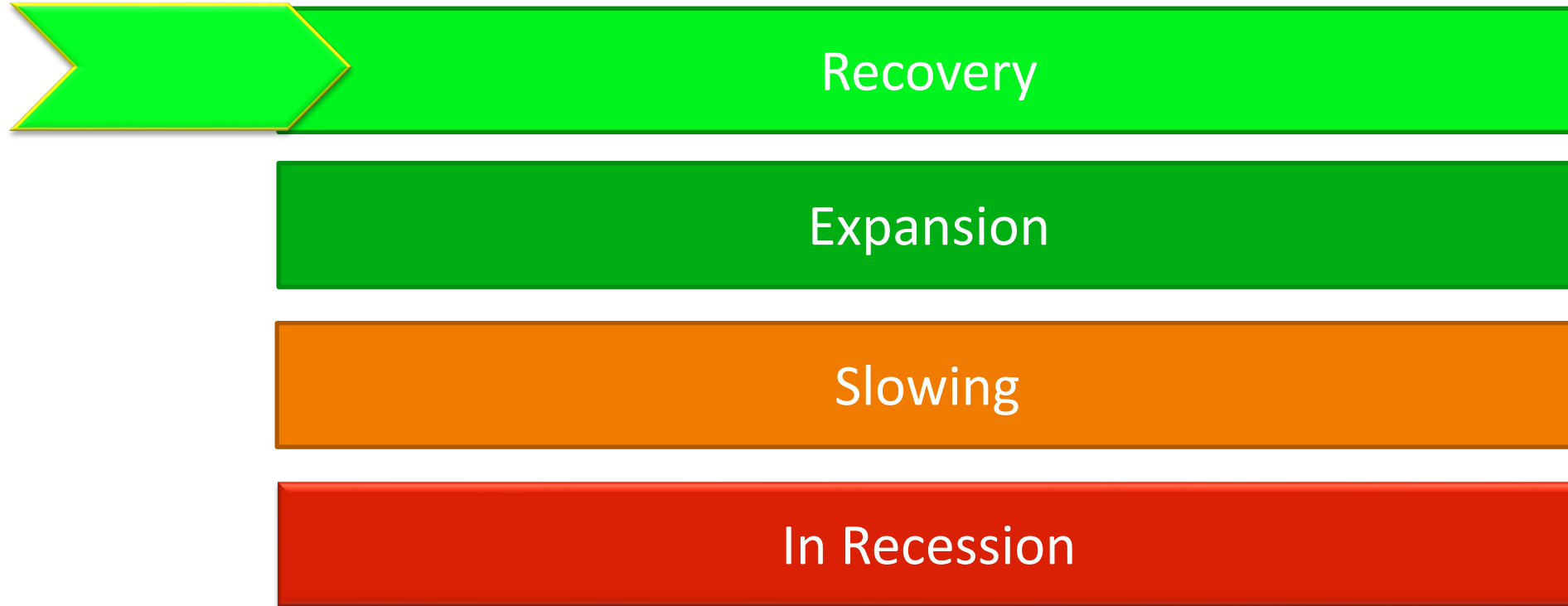
- Post-pandemic economy is robust and fast growing with low unemployment
- High-tech manufacturing expected to have continued growth along with the tourism/hospitality industry

## ■ Challenges

- Cooling housing demand may slow growth of construction and logging industries
- Technology and other management level positions beginning to shift to lower cost states in the Sunbelt

Source: Moody's Analytics.

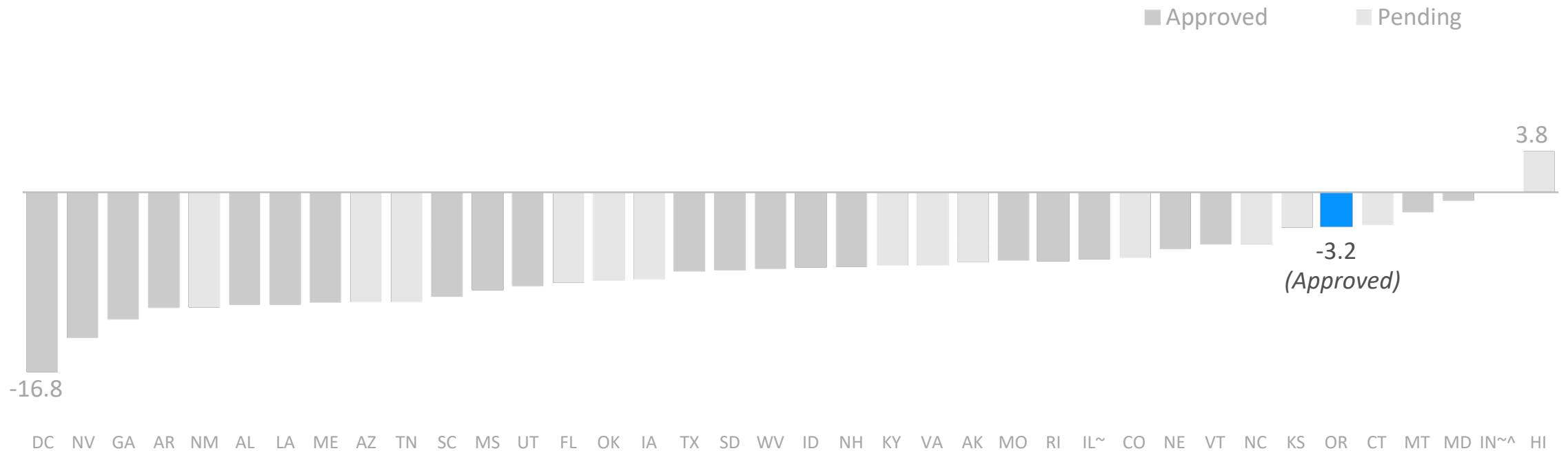
# Oregon Business Cycle Status



Source: Moody's Analytics.

# Current NCCI Voluntary Market Loss Cost/Rate Level Changes

Excludes Law-Only Filings



~Value shown is a rate level change; the IL and IN loss cost level changes are -6.2% and -2.7%, respectively.

^IN approved a flat (0.0%) rate level change.

Reflects the most recent experience filing in each jurisdiction as of 9/16/2022.

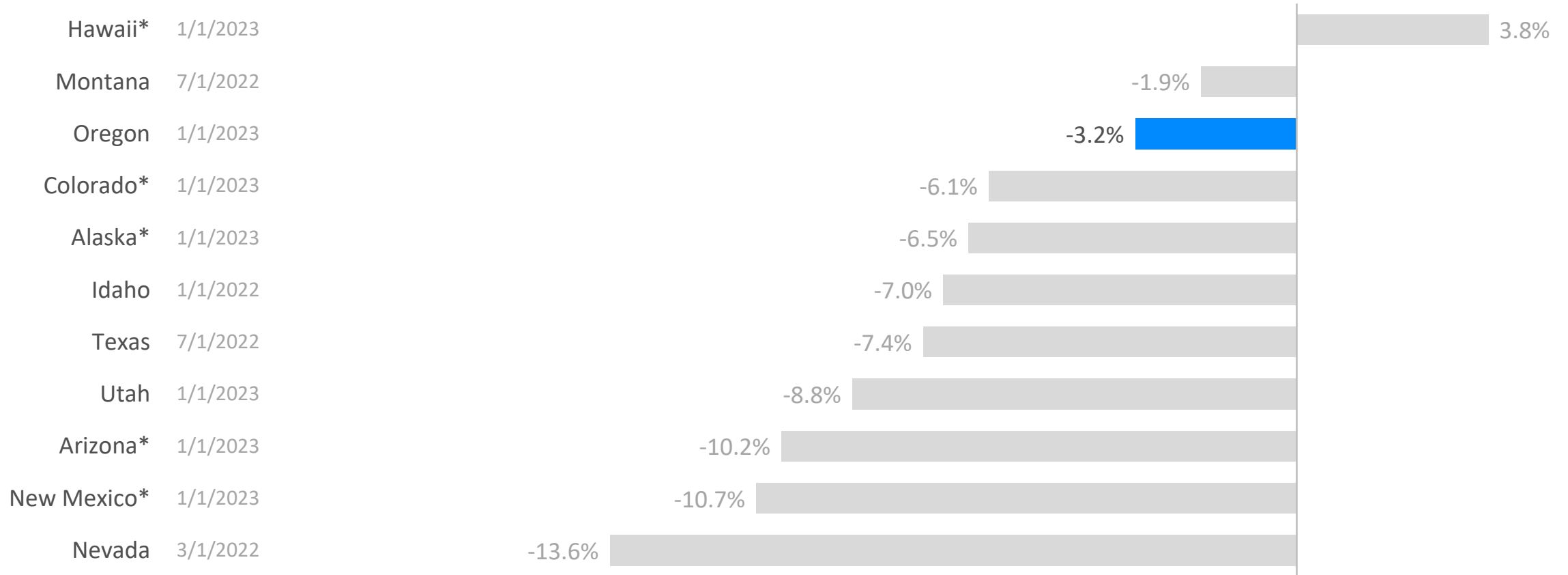
Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.





# Current Voluntary Market Loss Cost/Rate Changes

## Western States



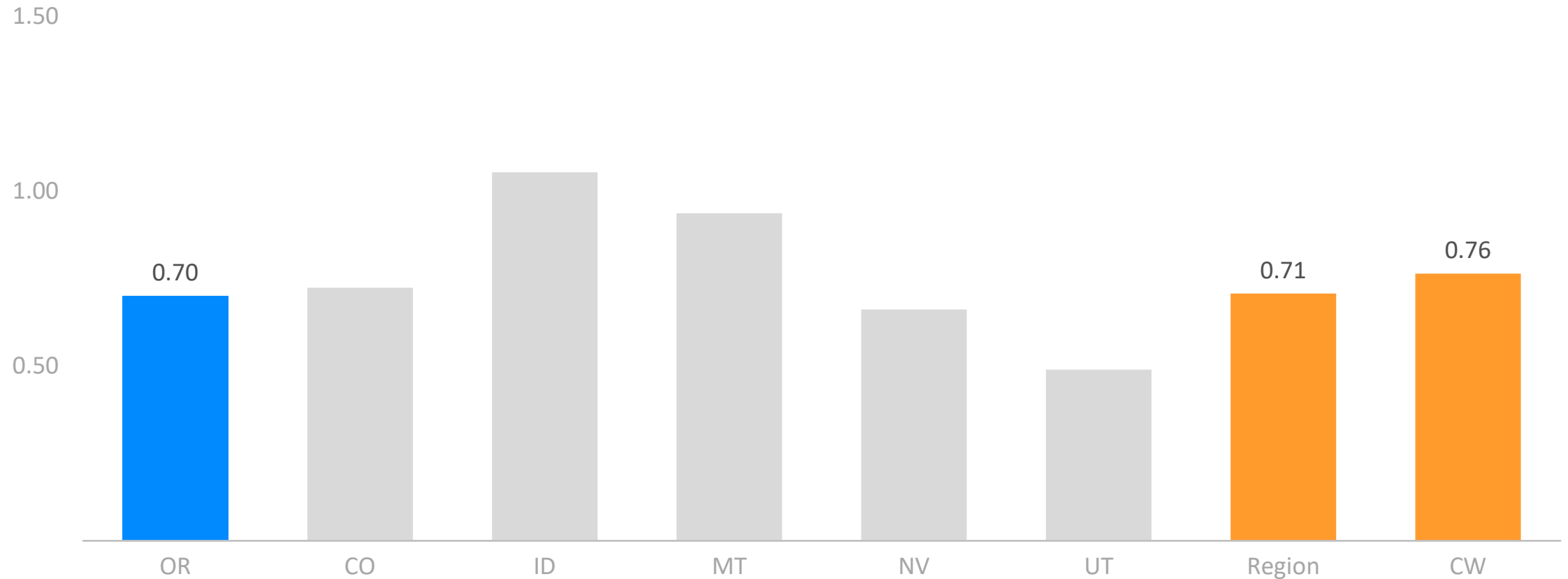
\*Pending.

Reflects the most recent experience filing in each jurisdiction as of 9/16/2022.

Due to the timing of the individual loss cost/rate filings, the figures shown may include changes from prior filing seasons.

# Average Voluntary Pure Loss Costs

Using Oregon Payroll Distribution



Based on approved rates and loss costs in various jurisdictions from filings using data valued as of 12/31/2020.

# CONTACT US



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