

NCCI WCIP STATE INSTRUCTIONS

Use the state chart below along with the ACORD® Forms Instruction Guide for completing the ACORD® 133 Workers Compensation Insurance Plan Assigned Risk section and ACORD® 130 Workers Compensation Application. For questions relating to the Plan, please refer to NCCI's **Basic Manual for Workers Compensation and Employers Liability Insurance**, NCCI's **Basic Manual User's Guide** (National pages), and NCCI's **Assigned Risk Supplement**, or contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).

OREGON

The DEPOSIT PREMIUM TABLE below should be used when computing the deposit premium on the ACORD® 130 application.

Estimated Annual Premium	Minimum Deposit %	Audit Basis During Year	Number of Refusers: One—must be the current carrier, if applicable. Declinations of coverage are not required on preferred worker and no payroll "if any" applications.
Under \$1,000	100%	Annual	Effective Date: The later of the following options: <ul style="list-style-type: none"> 12:01 a.m. on the date following receipt by the Plan Administrator of a complete and eligible application The date of expiration of existing coverage A date the applicant requests If an eligible application and check are sent via US mail, coverage will be bound at 12:01 a.m. on the day following the postmark on the envelope or the expiration of existing coverage. For effective date determination, a private postage meter mark will not be accepted, and only a US Postal Service postmark affixed to the envelope will be accepted by the Plan Administrator as a valid postmark.
At least \$1,000	66.67%	Semiannual	
At least \$7,500	41.67%	Quarterly	
At least \$25,000	25%	Monthly	

Estimated annual premium and the premium installment schedule are subject to adjustment as a result of preliminary, interim, and/or final audit(s), the audit adjustment program, or when an endorsement is issued. At policy inception, the employer may request a higher minimum deposit percentage, but may not select a deposit percentage lower than the otherwise applicable minimum stated in the deposit and premium installment table.

A portion of the deposit premium may be satisfied with an authorized surety's financial guaranty bond, but the cash portion cannot be less than either the minimum premium or 25% of the required premium, whichever is greater.

The deposit and premium installment table is followed by all assigned carriers. However, the assigned carrier, based on sound underwriting practices, may make appropriate changes to the governing state's premium installment basis that the employer selected. The assigned carrier must provide the reason(s) for such change(s) to the employer and will appropriately document the file.

Minimum Premium Policies

The deposit premium for a minimum premium policy is 100% of the estimated annual premium. Minimum premium policies must be paid in full and are not eligible for the audit adjustment program.

Short-Term Policies

The deposit premium for short-term policies with a duration of six months or less is 100% of the estimated premium. The estimated premium is based on the estimated payroll for the policy period, unless otherwise approved by the Plan Administrator.

For any dispute concerning the audit adjustment program, refer to the Oregon Dispute Resolution Procedure in NCCI's **Basic Manual**.

Application Submission Options:

- Online—Applications may be submitted via NCCI's website at ncci.com. To enroll for access to this free service, contact NCCI's Customer Service Center at 800-NCCI-123 or at customer_service@ncci.com.
- Telephone—Applications may be submitted by contacting NCCI's Customer Service Center at 800-NCCI-123.
- Mail—Applications may be submitted via the US Postal Service or private overnight delivery service to the address provided below.

Note: Under Oregon law, an out-of-state agent/producer is required to have an Oregon resident or nonresident license to submit an application to NCCI for primary coverage.

Voluntary Coverage Assistance Program (VCAP® Service):

NCCI's **VCAP® Service** applies to all employers seeking coverage through the residual market in which NCCI is the Plan Administrator, and is offered through NCCI's Residual Market Application Processing System (**RMAPS® Online Application Service**). Through this free, Internet-based application, voluntary coverage providers have the opportunity to evaluate potential employers that submit applications through the residual market. All assigned risk applications (electronic, phone-in, or mail-in) submitted to NCCI as Plan Administrator are processed through **VCAP® Service** to determine if they match the preselected criteria specified by a participating voluntary coverage provider.

Refer to NCCI's **Basic Manual** Rule 4-D—Voluntary Coverage Assistance Program (**VCAP® Service**) for the applicable rules.

Loss Sensitive Rating Plan:

The Loss Sensitive Rating Plan (LSRP) is a mandatory assigned risk retrospective rating plan for those employers that have a workers compensation and employers liability insurance policy(ies) with an LSRP standard premium that equals or exceeds \$250,000 (effective 1/1/12).

In addition to the WCIP initial or deposit premium, employers qualifying for the LSRP are required to submit an LSRP contingency deposit to the assigned carrier. The LSRP contingency deposit premium is calculated by multiplying the LSRP standard premium by 20%. Subject to certain conditions, the LSRP contingency deposit may be paid by Automated Clearing House/Electronic Funds Transfer (ACH/EFT), credit card, personal or business check, or an Irrevocable Letter of Credit (ILOC).

Refer to NCCI's **Basic Manual** Rule 4-C—Loss Sensitive Rating Plan (LSRP) for the applicable rules.

Guide to Premium Calculation (for detailed information, refer to Oregon State Special Rules in NCCI's **Basic Manual**):

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| <ul style="list-style-type: none"> Experience rating modification, if applicable Merit rating, if applicable Assigned Risk Adjustment Program (ARAP) factor, if applicable, applies to modified premium Oregon Group Supplemental Experience Rating Plan, if applicable | <ul style="list-style-type: none"> Nonexperience rated premium credit of 11% (up to \$500), if applicable New Small Employer Credit of 15%, if applicable Employee leasing client processing fee, if applicable Oregon Contracting Classification Premium Adjustment Program, if applicable |
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NOTE: Workers Compensation Department Assessment of 9.0% (effective 1/1/21) applies to premium after expense constant.

Employee Leasing:

Refer to ORS 656.850 (3). If coverage is desired through the Oregon Plan, payroll by applicable classification, for all of your employees and all client employees to be covered through the Oregon Plan, leased or otherwise, must be included. Also, include a current list of active clients, identifying the total number of worker/leasing company clients and employees.

IMPORTANT: Before completing Professional Employer Organization (PEO)/Employee Leasing Arrangement applications, refer to the Oregon state rule exceptions in NCCI's **Basic Manual Rule 3-D—Employee Leasing Arrangements for the applicable rules. Obtain forms from NCCI.**

Every worker leasing company providing leased workers to a client must also provide workers compensation insurance coverage for any subject workers of the client under a master policy, unless the client has a workers compensation insurance policy. In that case, the client's policy must be deemed to provide insurance coverage for all leased workers and subject workers of the client.

If the employee leasing company is providing coverage, the policy must maintain separate statistics for each client. Oregon statute requires that the premium charged for the client's exposure must be based on the client's own modification.

A client can obtain leased workers from only one employee leasing company, unless the client has its own policy providing workers compensation insurance to all of its workers.

Employee Leasing Client Processing Fee: To reimburse the carrier for expenses associated with the collection of separate statistics for each client covered under an employee leasing company policy, the leasing company must pay a client processing fee for each client. The fee is shown on the Miscellaneous Values page.

Employers Using Independent Contractors:

The employer must cover subcontractors, unless those contractors meet common-law tests of independence used by the courts or, if in construction, are licensed with the Construction Contractors Board (CCB) or with the Landscape Constructors Board (LCB).

Election/Rejection Under State Law:

Subject to the limitations detailed below, sole proprietors, partners, limited liability company (LLC) members, and corporate officers are not automatically covered under the Act but may elect coverage. The requirements for an application for coverage under ORS 656.128 are: the application must request coverage for a specific individual, it must be in writing, and it must contain information from which a prospective insurer can determine the individual's classification and payroll. Payroll must be included for any sole proprietor, partner, LLC member/manager, or corporate officer electing coverage.

Sole proprietors are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage. **Exception:** Sole proprietors actively licensed by the Landscape Contractors Board (ORS 671.525) or by the Construction Contractors Board (ORS 701.021) are automatically covered under the Act.

Partners are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage. **Exception:** Partners engaged in work performed in direct connection with the construction, alteration, repair, improvement, moving, or demolition of an improvement on real property or appurtenances thereto are automatically covered under the Act. **Partners actively licensed by the Construction Contractors Board (CCB) (ORS 701.021) or Landscape Constructors Board (LCB) (ORS 671.525)** who have a substantial ownership interest in a partnership are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage. "Substantial ownership" means a percentage of ownership equal to or greater than the average percentage of ownership of all the owners, or 10%, whichever is less. If all partners are members of the same family and are parents, spouses, sisters, brothers, daughters or sons, daughters-in-law or sons-in-law, or grandchildren, all such partners are automatically covered by the Act and may elect to be excluded from coverage.

For all other partnerships licensed under the Landscape Contractors Law (ORS 671.510 to 671.760) or by the CCB (ORS 701.021), the maximum number of exempt partners shall be whichever is the greater of the following:

- (A) Two partners; or
- (B) One partner for each 10 partnership employees.

LLC members, including members who are managers of LLCs, regardless of the nature of the work performed are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage. **Exception:** Members, including members who are managers, of LLCs with more than one Member, while engaged in work performed in direct connection with the construction, alteration, repair, improvement, moving, or demolition of an improvement on real property or appurtenances thereto are automatically covered under the Act. **LLC members actively licensed by the CCB (ORS 701.021) or LCB (ORS 671.525)** who have a substantial ownership interest in the company, regardless of the nature of the work performed, are not automatically covered under the Act, but may elect coverage. "Substantial ownership" means a percentage of ownership equal to or greater than the average percentage of ownership of all the owners, or 10%, whichever is less. If all members of the company are members of the same family and are parents, spouses, sisters, brothers, daughters or sons, daughters-in-law or sons-in-law, or grandchildren, all such members are automatically covered under the Act and may elect to be excluded from coverage.

For all other LLCs licensed under the Landscape Contractors Law (ORS 671.510 to 671.760) or by the CCB (ORS 701.021), the maximum number of exempt company members shall be whichever is the greater of the following:

- (A) Two company members; or
- (B) One company member for each 10 company employees.

Note: Members of limited liability companies are treated as sole proprietors/partners for premium determination purposes in Oregon. **Corporate officers** who are directors of the corporation (note: "director" is a person elected or appointed to a corporation's board of directors in accordance with its articles of incorporation or bylaws) and who have substantial ownership interest in the corporation (note: "substantial ownership" means a percentage of ownership equal to or greater than the average percentage of ownership of all the owners, or 10%, whichever is less), regardless of the nature of the work performed by such officers, are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage, **subject to the following limitations:**

- **Farm Use Tax Assessment:** If the activities of the corporation are conducted on land that receives farm use tax assessment pursuant to ORS chapter 308A, "corporate officer" includes all individuals identified as directors in the corporate bylaws, regardless of ownership interest, and who are members of the same family, whether related by blood, marriage, or adoption.
- **Commercial Harvest of Timber:** If the activities of the corporation involve the commercial harvest of timber and all officers of the corporation are members of the same family and are parents, daughters or sons, daughters-in-law or sons-in-law, or grandchildren, then all such officers are covered and may elect to be excluded from coverage. For all other corporations involving the commercial harvest of timber, the maximum number of exempt corporate officers for the corporation shall be whichever is the greater of the following:
 - (A) Two corporate officers; or
 - (B) One corporate officer for each 10 corporate employees.

Corporate officers actively licensed by the CCB (ORS 701.021) or LCB (ORS 671.525) who are directors of the corporation (note: "director" is a person elected or appointed to a corporation's board of directors in accordance with its articles of incorporation or bylaws) and who have substantial ownership interest in the corporation, regardless of the nature of the work performed, are "nonsubject" workers and are not automatically covered under the Act, but may elect coverage. "Substantial ownership" means a percentage of ownership equal to or greater than the average percentage of ownership of all the owners, or 10%, whichever is less. If all officers of the corporation are members of the same family and are parents, spouses, sisters, brothers, daughters or sons, daughters-in-law or sons-in-law, or grandchildren, all such officers are automatically covered under the Act and may elect to be excluded from coverage.

For all other corporations licensed under the Landscape Contractors Law (ORS 671.510 to 671.760) or by the CCB (ORS 701.021), the maximum number of exempt corporate officers shall be whichever is the greater of the following:

- (A) Two corporate officers; or
- (B) One corporate officer for each 10 corporate employees.

Failure to file the appropriate forms/notices for election or rejection of coverage in accordance with state laws may result in additional premium being charged and collected by the Plan Administrator or the assigned carrier.

Volunteers

The following volunteers are automatically covered under the Act:

"Qualified emergency service volunteer." A person who is:

- (a) Registered with the Office of Emergency Management or other public body to perform emergency service activities;
- (b) Acknowledged in writing as a qualified emergency service volunteer, at the time the person offers to volunteer during an emergency, by the Office of Emergency Management or by another public body; **or**
- (c) A member of the Oregon State Defense Force.

"Qualified search and rescue volunteer." A person who is:

- (a) Registered with the Office of Emergency Management to conduct search and rescue activities;
- (b) Registered with a sheriff to conduct search and rescue activities;
- (c) A member of a designated search and rescue organization that is registered with a sheriff or the Office of Emergency Management; **or**
- (d) Acknowledged in writing as a qualified search and rescue volunteer by the Office of Emergency Management, or by a sheriff or the designee of a sheriff, at the scene of a search or rescue.

The following volunteers are not automatically covered under the Act, but the employer may elect coverage by written notice to the carrier:

- All municipal, county, or city volunteer personnel
- Individuals engaged in voluntary commuter ride sharing arrangements (must give written notice to the carrier and to the Director of Consumer and Business Services, Workers Compensation Division)

Contact the Department of Consumer and Business Services, Office of the Small Business Ombudsman for Workers' Compensation at <https://www.oregon.gov/DCBS/SBO/Pages/sbo.aspx> for the most current rules and regulations.

This information applies only to Oregon law. If additional states are to be covered, additional action may be necessary under the applicable state law.

Submit Application via Regular Mail to:	NCCI Attn: Treasury Department PO Box 3045 Boca Raton, FL 33431	Send Correspondence to:	NCCI Customer Service Center 901 Peninsula Corporate Circle Boca Raton, FL 33487-1362 Phone: 800-622-4123 Fax: 561-893-1191
Submit Application via Overnight Delivery to:	NCCI Attn: Treasury Department 901 Peninsula Corporate Circle Boca Raton, FL 33487-1362		