

Appendix Table 4
Industry requests for average manual rate changes
and final rates approved, 1966 to date

Effective date	Initial industry request	Approved by insurance commissioner	Justification for approved premium rate revision	Cumulative index ¹
1/1/1966		--	--	1.000
7/1/1966	-7.6%	-7.6%	Claims experience	0.924
10/1/1966	+4.1	+4.1	Medical fee change	0.962
7/1/1967	+8.7	+8.7	N.A.	1.046
7/1/1968	+1.9	+1.9	N.A.	1.065
7/1/1969	+3.5	+3.5	N.A.	1.103
7/1/1970	-1.2	-1.2	N.A.	1.089
7/1/1971	+27.3	+27.3	Fatals & PPD awards increased	1.387
7/1/1972	-0.7	-0.7	N.A.	1.377
10/1/1973	+14.1	+14.1	Maximums raised; fatalities tied to AWW	1.571
4/1/1974	+3.5	+3.5	Fatal offset removed; other	1.626
7/1/1974	+2.7	+2.7	Average wage revised	1.670
7/1/1975	+14.7	+9.9	Maximums raised	1.836
7/1/76 ²	+41.5	+15.0	Claims experience	2.111
10/1/76 ²	--	+12.5	Claims experience	2.375
7/1/1977	+15.1	+9.8	PTD offset; PPD increased	2.608
7/1/1978	+13.6	0.0	Relativity change	2.608
1/1/79	+0.6	+0.6	Change in WCD assessment	2.623
7/1/79 ³	--	0.0	Class relativity change	2.623
1/1/1980	+14.0	+8.8	SB48; PPD increased	2.854
4/1/80 ⁴	--	-5.9	New expense program introduced	2.854
7/1/80 ⁵	-15.1	-15.1	Claims experience	2.423
4/1/81 ⁴	--	-1.0	New expense program	2.423
7/1/1981	-8.5	-8.5	Claims experience & WCD assessment change	2.217
11/1/81 ⁴	+3.2	+3.2	Legislated benefit increase	2.217
11/1/81 ⁴	+5.4	+5.4	Change in payroll definition	2.217
7/1/1982	-41.7	-41.7	Claims experience (-5.1%), Remove expense allowance; convert to Pure Prem: (-38.7%)	1.934
1/1/1983	-7.7	-7.7	Claims experience	1.556
1/1/1984	+8.2	+8.2	Claims experience	1.601
1/1/1985	+18.0	+11.1	Claims experience	1.928
10/1/1985	+3.1	+2.7	Benefit increase	1.980
1/1/1986	+37.4	+26.7	Claims experience & Voc. Rehab. change	2.529
1/1/1987	+22.3	+14.5	Claims experience	2.798
1/1/1988	+8.4	--	Legislative enactments	2.836
1/1/1989	+11.3	+5.2	Claims experience & effects of 1987 legislative enactments	3.007
1/1/1990	+13.5	+6.2	Claims experience	3.144
1/1/1991	-12.2	-12.2	Claims experience; Major reform legislation	2.770
1/1/1992	-11.0	-11.0	Claims experience	2.457
1/1/1993	-11.4	-11.4	Claims experience;	

			Assigned Risk Adjustment Program (ARAP)	2.171
1/1/1994	-4.3	-4.3	Claims experience	2.038
1/1/1995	-3.2	-3.2	Claims experience and benefit change.	1.987
1/1/1996	-1.8	-1.8	Claims experience and benefit change.	1.972
1/1/1997	-10.5	-10.5	Claims experience and benefit change.	1.693
1/1/1998	-15.6	-15.6	Claims experience and benefit change.	1.448
1/1/1999	-4.8	-4.8	Claims experience and benefit change.	1.348
1/1/2000	-2.2	-2.2	Claims experience and benefit change.	1.328
1/1/2001	-3.7	-3.7	Claims experience and benefit change.	1.294
1/1/2002	-0.1	-0.1	Claims experience and benefit change.	1.347
1/1/2003	0.0	0.0	Claims experience and benefit change.	1.374
1/1/2004	0.0	0.0	--	1.393
1/1/2005	0.0	0.0	--	1.402
1/1/2006	0.0	0.0	--	1.387
1/1/2007	-2.1	-2.1	Claims experience and benefit change.	1.354
1/1/2008	-2.3	-2.3	Claims experience and benefit change.	1.312
1/1/2009	-5.9	-5.9	Claims experience and benefit change.	1.216
1/1/2010	-1.3	-1.3	Claims experience and benefit change.	1.209
1/1/2011	-1.8	-1.8	Claims experience and benefit change.	1.209 ⁶

Notes:

N.A. = Not retained in the files of the Insurance Division. Applications of benefit changes to policies in force are not shown.

1 Cumulative Premium Rate Index with 1966 equal to 1.000 includes insurer expense loading and WCD Premium Assessment.

Since 7-1-82, the Cumulative Index has been calculated as the previous year's Cumulative Index times the approved rate change times the weighted average Expense Loading factor times the Assessment Rate Factor, all divided by the product of the previous year's Expense Loading factor and its Assessment Rate Factor. Actual rate paid by an employer is affected by several other variables.

2 Two-step net increase of 29.4 percent.

3 Class relativity change only.

4 Offset by change in other rating factors. No overall premium change expected.

(Source: Insurance Division Casualty Actuary.)

5 Includes a 1.1% increase for all policies in force.

6 Preliminary expense loading factor of 1.280 used.

Source: Oregon Insurance Division; Cumulative Index by Research and Analysis Section, Information Management Division, Oregon Department of Consumer and Business Services. Last updated 12/2010