



Oregon

Kate Brown, Governor

Department of Consumer and Business Services
Workers' Compensation Division
350 Winter St. NE
P.O. Box 14480
Salem, OR 97309-0405
1-800-452-0288
503-947-7810
www.wcd.oregon.gov

BULLETIN NO. 316 (Revised)
Dec. 15, 2016

TO: Insurers and self-insured employers
SUBJECT: Claims processing administrative cost factor
EFFECTIVE: Jan. 1, 2017

This bulletin notifies insurers and self-insured employers of the revised administrative cost factor. The Workers' Compensation Division applies this factor to approved reimbursements for supplemental disability benefits and claim costs. The factor is calculated as specified in Oregon Administrative Rule (OAR) 436-050-0180. This bulletin replaces Bulletin 316 issued Dec. 8, 2015.

The claim processing administrative cost factor for calendar year 2017 is 19.72 percent.

Supplemental disability benefits quarterly reimbursement

If the insurer or self-insured employer pays supplemental disability benefits, the division will reimburse the payer's costs from the Workers' Benefit Fund. (See OAR 436-060-0500 and Bulletin 325.)

Preferred worker claim costs quarterly reimbursement

The division will reimburse the insurer or self-insured employer's claim costs if a preferred worker has a new injury or occupational disease while employed under premium exemption. (See OAR 436-110-0330 and Bulletin 189.)

The division calculates and adds the administrative cost factor to approved reimbursements. Insurers and self-insured employers **may not add** the factor to their quarterly reimbursement requests. The factor applied is based on the date the insurer or self-insured employer paid the cost. Insurers' or self-insured employers' administrative costs for specific claims will vary. The factor is intended to cover overall administrative costs for representative claims filed.

Factors, 2012 through 2017:	<u>2017</u>	<u>19.72%</u>
	<u>2016</u>	<u>18.81%</u>
	<u>2015</u>	<u>19.32%</u>
	<u>2014</u>	<u>18.61%</u>
	<u>2013</u>	<u>17.25%</u>
	<u>2012</u>	<u>16.60%</u>

If you have questions about this bulletin, contact the Workers' Compensation Division at 800-452-0288.

/s/ Louis Savage
Louis Savage, Administrator
Workers' Compensation Division

Distribution: WCD-LY, electronic mailing lists