

Workers' Benefit Fund

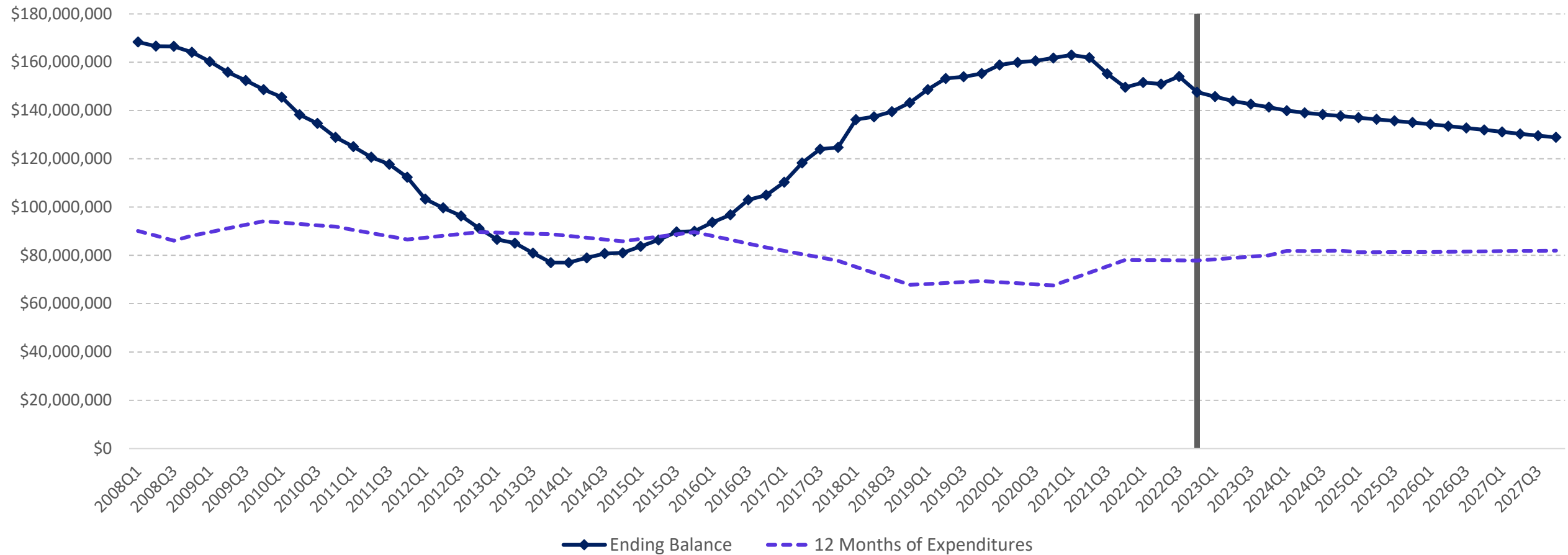
Status Update 2022

KELLI BORUSHKO – SENIOR ECONOMIST

DON GALLOGLY – SENIOR RESEARCH ANALYST

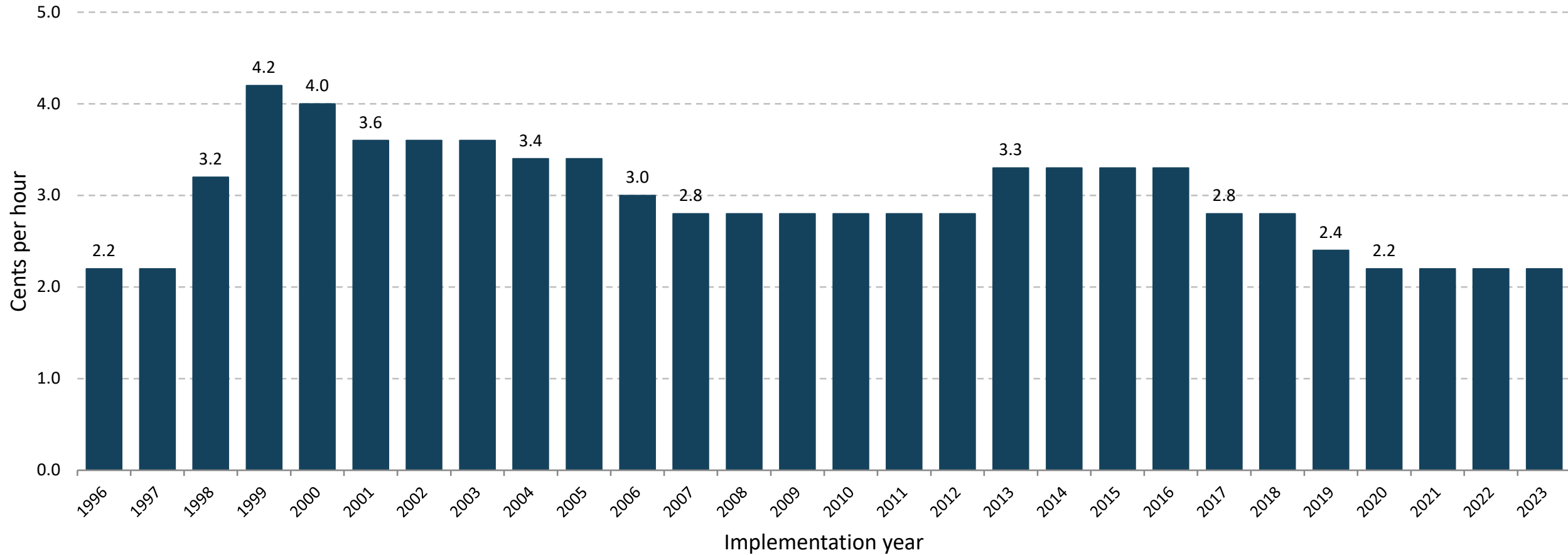


Workers' Benefit Fund (WBF) ending fund balance



- House Bill 2788 (2019 session) requires WBF to maintain a fund balance of at least 12 months of expenditures.
- WBF ending fund balance as of Sept. 30, 2022, was \$145.7 million, or about 22.3 months of expenditures.

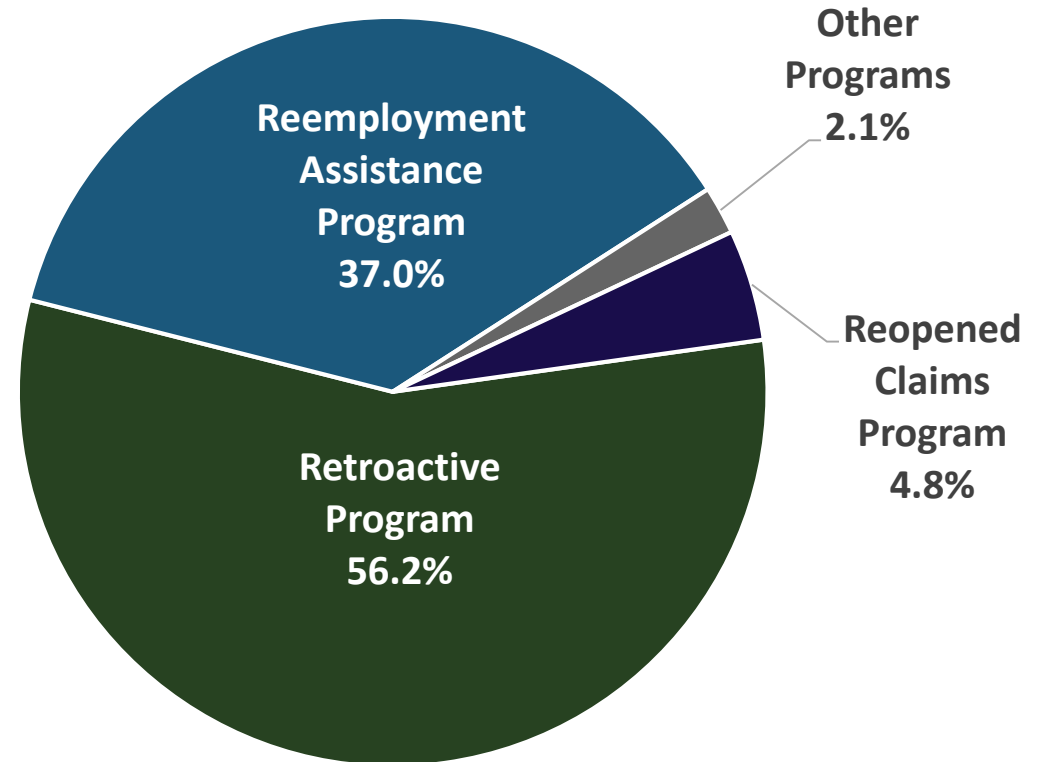
WBF cents per hour rates



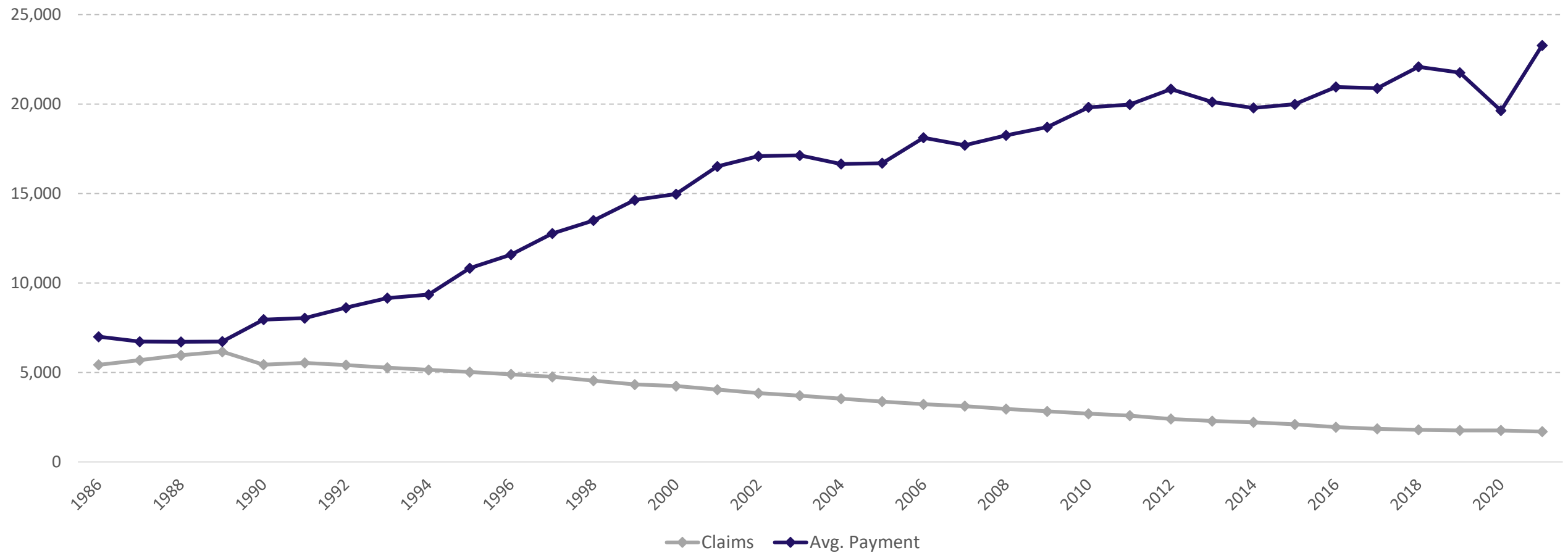
- WBF assessment rate has remained 2.2 cents per hour since Jan. 1, 2020.
- This rate is the lowest since the creation of the fund in 1996.

- **Retroactive Program** – pays cost of living adjustment (COLA) for fatal or permanent total disability injuries; based on State Average Weekly Wage (SAWW)
- **Reemployment Assistance Program** – facilitates the early return to work of injured employees
 - Employer-at-Injury Program
 - Preferred Worker Program
- **Reopened Claims Program** – reimburses insurers and self-insured employers for certain costs arising after workers' aggravation rights have expired
- **Other programs** – includes Workers with Disabilities Program (WWD), wages for multiple jobs component (Senate Bill 485), and claims payments for dissolved self-insured groups (Senate Bill 1558)

Fiscal year 2022 WBF program expenditures

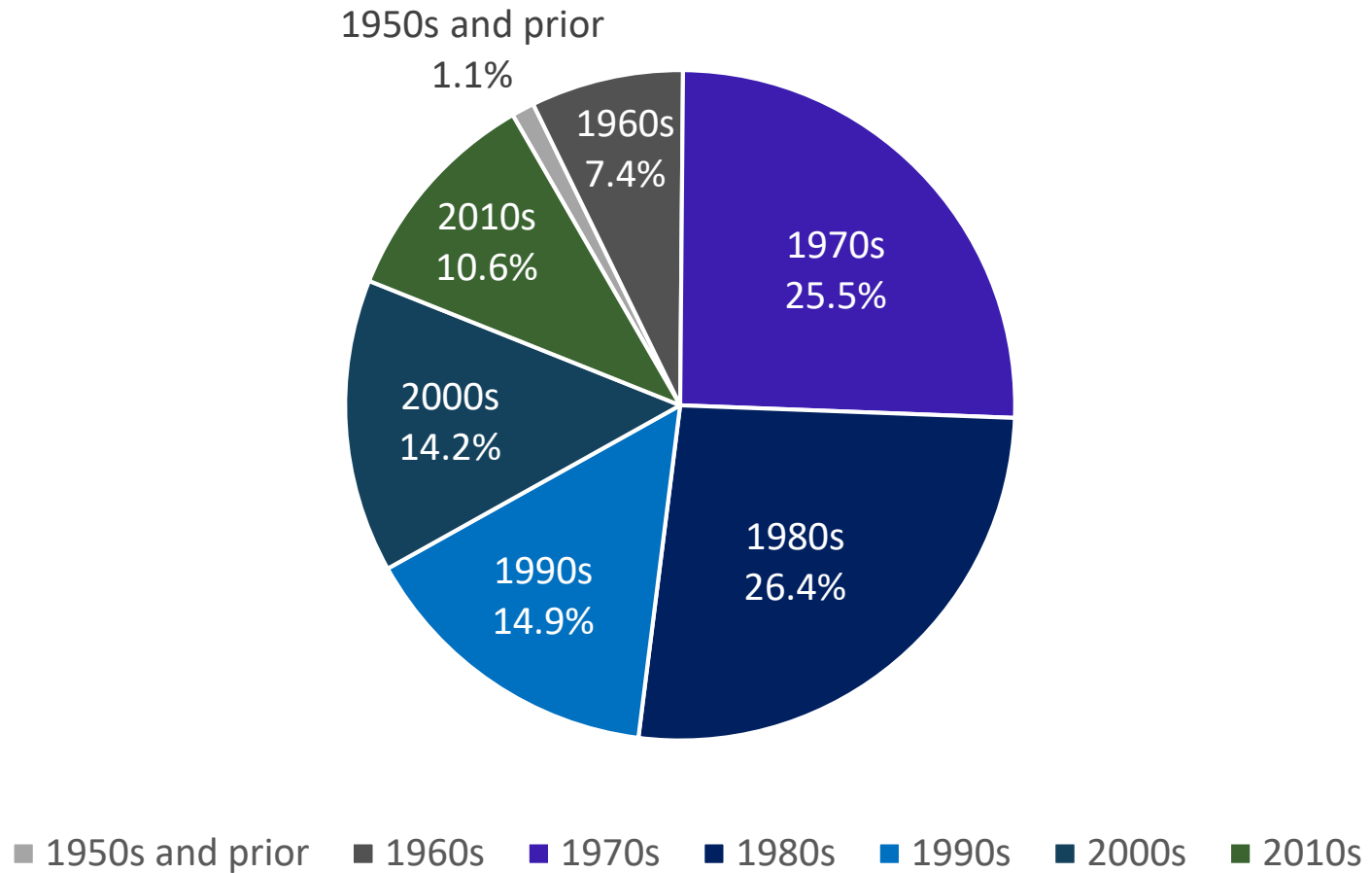


Retroactive Program claims and average payment

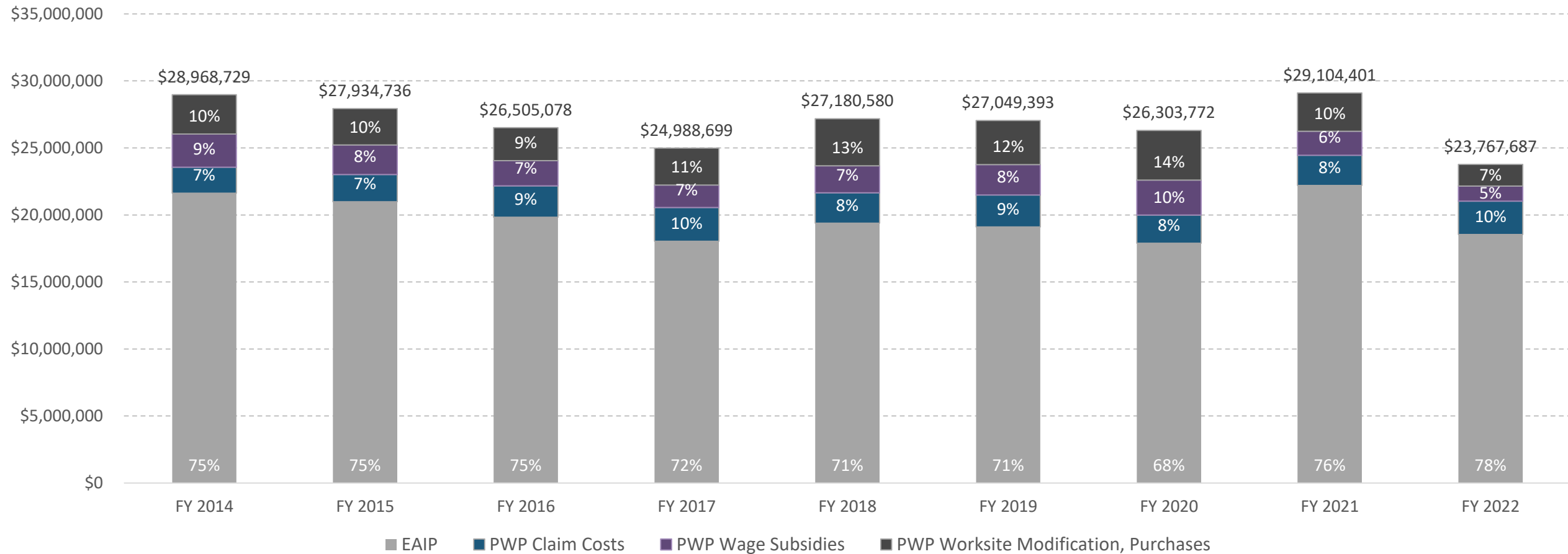


- Retroactive Program claims continue to decline as the number of eligible beneficiaries declines.
- The average payment per claim has increased gradually as the average weekly wage has increased.

Percent of Retroactive Program claims by decade of injury

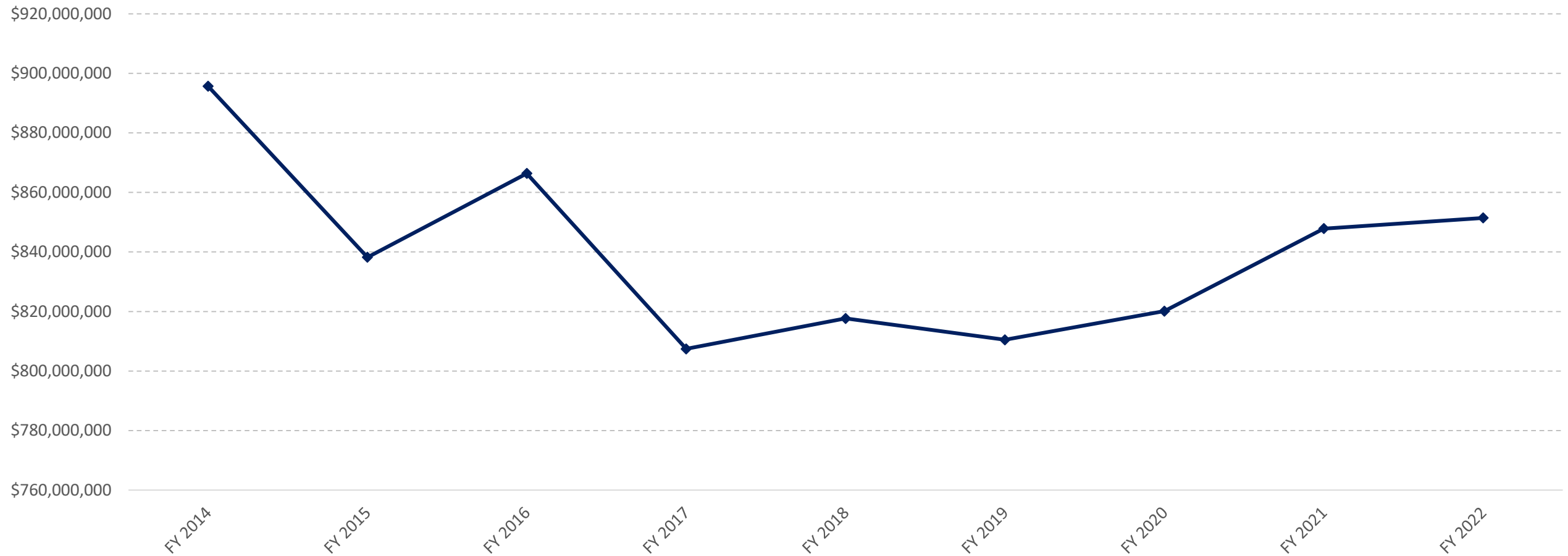


Reemployment Assistance Program Expenditures



- The Employer-at-Injury Program (EAIP) accounts for more than 75 percent of the Reemployment Assistance Program expenditures shown.
- The wage subsidy for the EAIP increased from 45 percent to 50 percent effective Jan. 1, 2020, in accordance with OAR 436-105.

WBF liability



- WBF has a large long-term liability that is not currently funded.
- This liability is how much we anticipate WBF would have to pay for those claimants currently receiving some type of WBF benefit through the end of their claim.

WBF long-term liability as of June 30, 2022

Retroactive Program	\$782,640,331
Reemployment Assistance	\$50,878,239
Reopened Claims	\$16,507,756
Workers with Disabilities	\$923,699
<u>Self-insured employer group claims</u>	<u>\$474,732</u>
Total	\$ 851,424,757

- The Retroactive Program makes up the majority of expected future liability of the WBF.

Fiscal year 2022 WBF administrative expenditure distribution

