

Dept. of Workforce Development: Wisconsin Insurance premiums for worker's compensation decline

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MADISON – Wisconsin companies will pay 8.47 percent less in worker's compensation insurance rates starting Oct. 1, 2022, giving a boost to businesses around the state, the Wisconsin Department of Workforce Development reported.

The lower rates reflect continued worker safety improvements by employers in Wisconsin, which has a record number of people working and a May unemployment rate of just 2.9 percent. The 2022 rate decrease, approved by the Wisconsin Commissioner of Insurance, marks the seventh year in a row worker's compensation insurance premiums have declined in Wisconsin.

The latest reduction in premiums is expected to save Wisconsin employers some \$146 million.

The workers' compensation program covers medical expenses and lost wages for employees injured on the job. Data from the independent, nonprofit Workers Compensation Research Institute ranks Wisconsin among the lowest of 18 states in the time employees spend away from work after an injury, thanks to strong health care networks and return-to-work programs that support a smooth transition back to the workplace.

“Strong partnerships among employers, workers, training providers, and other stakeholders are helping to keep employees safe and healthy on the job,” said DWD Secretary-designee Amy Pechacek. “Wisconsin's proactive, collaborative approach is delivering real benefits for workers and their families while supporting the competitiveness of employers statewide.”

Worker's compensation insurance rates are adjusted annually by a committee of actuaries from members of the Wisconsin Compensation Rating Bureau. This independent body examines and selects the methodology and trends that produce the proposed rate adjustment, which is then reviewed and approved by the Wisconsin Commissioner of Insurance. While the overall rate level will decrease by 8.47 percent, the impact to policyholders will vary based on specific circumstances.

"This latest decrease in worker's compensation rates represents more good news for the safety of Wisconsin's workforce heading into 2023," said Insurance Commissioner Nathan Houdek. "Improved workplace safety practices have helped reduce worker's comp rates, provide a competitive advantage for employers doing business in Wisconsin, and support a more productive workforce."

DWD's Worker's Compensation (WC) Division administers the state's WC program through a collaboration with WCRB, OCI, Self-Insurers Council and the Worker's Compensation Advisory Council, which is composed of representatives from management and labor and recommends WC law changes. Most employers in Wisconsin are legally required to have Worker's Compensation insurance policies.

Customers with questions about the law may contact DWD's Worker's Compensation Division by calling 608-266-1340 or visiting the DWD website. For questions about the rate development process, contact the WCRB at 262-796-4540.