

# Workers' Compensation Premium Reduction Program *Fact Sheet*



WCPR is a Workers' Compensation Premium Reduction Program offered by the Oklahoma Department of Labor to help employers earn a reduction in workers' compensation insurance premiums. Employers earn certification by demonstrating a strong commitment to workplace safety and health which is reflected in a reduced occupational injury/illness experience.

While participating in the program, employers are given the opportunity to learn how to maintain a safe and healthy workplace through the development and implementation of proven and effective safety and health management systems. Assistance and training are provided by qualified professionals experienced in helping employers develop safety and health management plans. WCPR is available to most public and private sector employers who meet the following qualifiers:

- Insured by a private insurance carrier or CompSource Oklahoma (Oklahoma's state insurance fund).
- Have an experience modifier greater than 1.0 attached to their current workers' compensation insurance policy.
- Employ fewer than 250 employees locally or 500 employees nationwide.

NOTE: All facilities which are covered under the workers' compensation policy must participate.

## **Certification Process**

Certification in WCPR is a process that includes a comprehensive consultation and a satisfactory performance review. An employer must meet the following requirements to qualify:

- A comprehensive safety and health survey by Oklahoma Department of Labor consultants must be conducted at each facility covered by the workers' compensation policy.
- The employer must correct all hazards identified during the survey process.
- The employer must implement and maintain an effective occupational safety and health management program.

Employers can earn up to a 15 percent reduction in their workers' compensation insurance premium — depending on the premium amount paid. Upon meeting the requirements for WCPR premium reduction, a qualifying company is issued a WCPR certificate by the Oklahoma Department of Labor and the company's workers' compensation insurance carrier is notified of the award. Certification is renewable for employers whose performance continues to reflect a strong commitment to workplace safety and health.

## **Consultation**

The consultation phase or "participation year" must coincide with the employer's workers' compensation policy year. Therefore, the consultation phase must be initiated on the effective date of the policy. This obviously involves coordination between the participating employer and the Oklahoma Department of Labor. To schedule a WCPR consultation, the employer must submit a request at least 60 days prior to the next policy renewal date.

## Page 2-2-2-2 Workers' Compensation Premium Reduction Program Fact Sheet

During the consultation phase, each facility covered by the employer's workers' compensation insurance policy must undergo a complete safety and health survey. The survey, provided by the Oklahoma Department of Labor at no cost to the employer, includes:

- A hazard study to help identify any existing or potential physical or environmental hazards or unsafe workplace practices. The final survey will provide recommendations for improving plant safety.
- Evaluation of each facility's job safety and health management plan against recognized effective principles. The evaluation will help identify weaknesses and provide recommendations for improving the plan.
- A comprehensive report dealing with the findings of the consultants.
- Training and technical assistance to help the company implement recommendations.
- Follow-up visits as necessary to confirm hazard correction and program implementation.

### Performance Review

The performance review is conducted after statistical data for the participation year is available. This usually occurs eight to nine months after the close of the participation year. The performance review involves a formal evaluation to determine whether a participating employer qualifies for WCPR certification through the Oklahoma Department of Labor. To qualify for certification and to become eligible for premium reduction at the time of the next policy renewal, employers must meet the following criteria:

- Experience no workers' compensation claims during the participation year or experience a 10 percent reduction in the dollar amount or severity of claims incurred during the year preceding the participation year.
- Reduce the lost workday incident rate to the national average or by one-third the amount the national average was exceeded during the comparison year.

### Getting Started

To enroll in WCPR or request a consultation, contact the Oklahoma Department of Labor *Safety Pays*<sup>®</sup> OSHA Consultation Division:

**Oklahoma City** – 405-521-6141 or toll-free, statewide at 888-269-5353

**labor.ok.gov** – Oklahoma Department of Labor website

