

What You Need to Know About the Preferred Worker Program

What is the Preferred Worker Program?

The Preferred Worker Program (PWP) encourages the re-employment of qualified Oregon workers who have permanent disabilities from on-the-job injuries and who are not able to return to their regular employment because of those injuries. The program is funded by worker and employer contributions to the Workers' Benefit Fund. The 2011 Workers Benefit Fund Rate is 2.8 cents per hour worked and is shared equally by the employer and worker.

What is the benefit of this program?

The main benefit to the employer is a premium exemption for workers compensation insurance for the preferred worker. The employer does not have to report the Preferred Worker's payroll to the insurer and pays no premium for the Preferred Worker for up to three years. For the qualified injured worker the program provides an opportunity for re-employment that may not have been available otherwise. For more information on other benefits available contact the staff at the Preferred Worker Program.

How Do You Apply for a Preferred Worker Workers Compensation Insurance Policy?

If you currently do not have workers compensation insurance and the first employee you hire has preferred worker status, then you can purchase a preferred worker policy through the Oregon Assigned Risk Plan. Here are the steps for applying to the Oregon Assigned Risk Plan.

- Call NCCI's Office at 1-800-622-4123. Select Option 3 for Assigned Risk and then select option 2 to have an Assigned Risk Analyst assist you with a phone application.
- If you are an insurance agent or an employer familiar with NCCI's *RMAPS® Online Application Service*, you can log onto www.ncci.com with your username and password obtained from NCCI's Customer Service Department. **However, you will still need to call the above number for help with the premium calculation.**

Please have the following documentation ready before calling NCCI:

1. Employer Identification Number (EIN).
2. A copy (front & back view) of the Preferred Worker Card to process a phone-in application (to verify qualification for the program).
3. Your Business Registry Number if your business is a Corporation, LLC, LLP, LP, Nonprofit Corporation, or Business Trust.
4. If Owners/Officers are excluded and there are no other employees, the employer will pay \$180.
5. Additional premium will apply if the Owners/Officers are included or there are other employees.
6. You will need a copy of a voided check to fax in for payment.

NCCI's Application Process:

1. The Assigned Risk analyst will fax a printout of the completed ACORD 130 & 133 forms and a payment authorization form for your signature.
2. Please sign the completed ACORD 130 & 133 forms, fill out the payment authorization form, and fax everything back to the analyst, along with a copy of the Preferred Worker Card (see #2 above).
3. An Electronic Funds Transfer (EFT) will be made using the copy of the check you provided.
4. You will be sent a copy of the binder letter to show that you have coverage.

5. The policy is issued for a period of a year, and the cost for a preferred worker only policy is approximately \$180.00. This is the cost that the insurer captures for the set up of the policy and is not refundable.

If you have an existing workers compensation insurance policy, simply report to your insurer that you are adding a preferred worker to your policy. You will not be charged any premium for the preferred worker. Also as a reminder, the preferred worker employer is still responsible for withholding employment taxes including the workers benefit fund contribution.

If you have any further questions relating to the Preferred Worker Program please call (800-445-3948), (503-947-7588) or email pwp.oregon@state.or.us. For other questions relating to workers compensation insurance, call the Small Business Ombudsman for Workers Compensation at (503) 378-4209.