

# Workers' Compensation Insurance Costs Have Gone Down

A national study found that [workers' compensation insurance costs for Pennsylvania](#) businesses have gone down. Among the 50 states, Pennsylvania used to rank 17th for highest insurance costs. Now Pennsylvania ranks 26th.

Pennsylvania employers are required by state law to have [workers' compensation insurance](#). This requirement generally applies to any employer that has one or more employee, including employees working part-time. The insurance guarantees that employees who are injured on the job will receive compensation for medical expenses and lost wages, among other potential benefits. Having insurance also helps employers, who are then protected from lawsuits brought by injured employees.

## Workers' Compensation Insurance Costs

The study, which was conducted by the Oregon Department of Consumer and Business Services, compared workers' compensation insurance rates for 50 employment classes across the country. Pennsylvania businesses spend \$1.84 per \$100 of payroll on compensation insurance, which is the median cost of insurance nationwide.

[Pennsylvania Insurance Commissioner Teresa Miller](#) noted in a press release that more than 325 state businesses offer workers' compensation insurance coverage, and that these businesses have been able to find more cost-efficient options. Governor Tom Wolf said that is good news, for businesses already doing business in the state and for companies interested in coming to Pennsylvania.

In addition to more cost-efficient coverage options, Pennsylvania also offers a 5% discount on premiums to companies that have certified workplace safety committees.

### **Workplace Safety Committee Certification Program**

The Workers Compensation Act provides companies that establish a [workplace safety committee](#) with annual premium discounts. To receive the discount, the company must form a committee and apply to the Bureau of Workers' Compensation for certification. The committee certification must be renewed every year for the company to continue receiving the discount.

Certification requirements include:

- The committee must operate for at least six consecutive calendar months before the company submits the application.
- The committee membership must represent all of the company's primary operations.
- The committee must have at least four members, two of whom must represent the employer and two of whom must represent the employees.
- A person qualifies to be an employer-representative if he or she has the authority to hire and fire employees, direct employee performance, and/or control the employee.
- Employee-representatives must work for the company and cannot have the same authority as an employer-representative.
- A committee member cannot be both an employer-representative and an employee-representative.

### **Workers' Compensation Insurance Coverage**

Pennsylvania businesses have four options for obtaining workers' compensation insurance:

- Purchase an insurance policy through an insurance agent

or broker.

- Purchase insurance directly from a private sector provider. There are more than 300 insurance carriers who provide workers' compensation insurance coverage.
- Apply for self-insurance status.
- Obtain insurance from the State Workers' Insurance Fund, which is required to provide insurance coverage to any company that applies.

## **Contact Us Today**

The point of businesses having workers' compensation insurance coverage is to protect workers who are [injured on the job](#). If you or a loved one has suffered an on-the-job injury, contact us today. Martin Law is the law firm that stands up for Philadelphia workers.