



FOR IMMEDIATE RELEASE
December 15, 2014

Rates Declining for Louisiana Workers' Compensation Insurance for Second Successive Year

Commissioner of Insurance Jim Donelon announced today that rates for workers' compensation insurance will decrease in Louisiana effective May 1, 2015. Commissioner Donelon recently approved a 2.4 percent decrease in workers' compensation loss costs submitted by the National Council on Compensation Insurance (NCCI). NCCI is a national organization which analyzes workers' compensation data and files loss costs or rates in 35 states.

Most workers' compensation carriers in Louisiana use the NCCI annual loss cost filing to formulate their insurance rates. This loss cost reduction marks a cumulative drop of 37 percent since 2006 and a 56 percent drop since 1995.

"Companies today are paying half as much for the same coverage as they were 20 years ago, and about one-third less than they were paying just ten years ago," said Commissioner Donelon. "While many states are seeing their workers' compensation costs going down, we are also seeing some states with increasing rates. We are pleased that Louisiana businesses are seeing a second successive year of declining loss costs that are coming as the result of fewer and less severe workplace injuries."

Ten-Year Loss Cost Changes

Year NCCI Change Effective	Loss Cost Change
2006	-0.6
2007	-15.8%
2008	-8.6%
2009	-17.4%
2010	-4.3%
2011	+4.2%
2012	+6.0%
2013	+2.5%
2014	-5.1%
2015	-2.4%

The total Louisiana workers' compensation market is estimated to be more than \$810 million in total premium.

About the Louisiana Department of Insurance: *The Louisiana Department of Insurance works to improve competition in the state's insurance market while assisting individuals and businesses with the information and resources they need to be informed consumers of insurance. As a regulator, the LDI enforces the laws that provide a fair and stable marketplace and makes certain that insurers comply with the laws in place to protect policyholders. You can contact the LDI by calling 1-800-259-5300 or visiting www.ldi.la.gov.*