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Commissioner

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Department of Commerce,
Community, and
Economic Development

Anchorage, Alaska

STATE OF ALASKA

PRESS RELEASE

For Immediate Release

19-015

Workers Compensation Rates to Decrease in 2020

Monday, September 16, 2019 (Anchorage) – Under a proposal by the National Council on Compensation Insurance (the organization in charge of filing workers' compensation insurance rates in Alaska), Alaska businesses may see another year of decreased workers' compensation insurance assigned risk rates in 2020. The NCCI filing requests that workers' compensation voluntary loss costs decrease by an average of 14.4 percent.

"Lower workers' compensation costs reduce the burden on employers, and spurs growth in Alaska's economy," **said Governor Michael J. Dunleavy**. "This is just another example of how Alaska's business climate is steadily improving and that gives employers the confidence to expand an existing business or open a new one."

The 2020 rate reductions signify a positive downward trend in reduced workers' compensation losses. This year's lower rates follow 2019 rates that represented a 14.8 percent reduction from the previous year. Since 2015, rates have been reduced by approximately 36 percent, which can be attributed to continuing declines in claim frequency and favorable changes in medical cost trends.

"We are thoroughly reviewing the filings to ensure that the rates are justified," **said Alaska Division of Insurance Director Lori Wing-Heier**. Rates will be finalized no later than November 22, 2019.

The Division of Insurance is an agency housed within the Alaska Department of Commerce, Community and Economic Development (DCCED) tasked with protecting consumers in Alaska. For additional information about the division, visit commerce.alaska.gov/web/ins. For information about DCCED and its other agencies, visit commerce.alaska.gov.

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