

NEWS RELEASE

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Department of Industrial Relations Director Issues Statement on WCIRB Rate Cut Recommendation

Oakland—Department of Industrial Relations Director Christine Baker today issued the following statement on the Workers' Compensation Insurance Ratings Bureau's recommendation for a mid-year 7.8 percent rate reduction:

"The 2012 reforms in SB 863 sought to increase benefits and improve care to injured workers while controlling rising costs for employers. Not only did benefits for injured workers increase by 30 percent, but an anticipated rate spike was prevented. Employers have had four consecutive rate reductions, and today's recommendation will continue that trend.

"Since 2012, DIR has made significant strides in its quest to eliminate medical provider fraud and illegitimate liens, and is continuing its efforts to launch a prescription drug formulary. These reform efforts seek to further improve treatment of injured workers while reducing costs in the system that would have been paid by employers. As evidenced by the WCIRB's recommendation for a mid-year rate reduction, our recent reforms have brought both stability and sustainability to California's workers' compensation system."

Members of the press may contact Erika Monterroza or Peter Melton at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases or other departmental updates.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.