



## Administrative Assessment for FYE 2025

The Department of Labor & Industries recovers the cost of our services to self-insured employers through an annual assessment.<sup>1</sup> (See page 2 for a list summarizing L&I services to self-insured employers.) When you prepare your quarterly reports, use the appropriate rate below, to calculate your share of the assessment.

### Administrative assessment rates for Fiscal Year 2025

- ▶ Employers certified BEFORE July 1, 2023 = 0.0676
- ▶ Employers certified AFTER July 1, 2023 = 0.0676

For employers certified before July 1, 2023, this year's rate reflects an increase from the previous assessment. This is because we base the rate on estimates of services for the upcoming year. For FY 2024, the actual cost of services exceeded what was estimated and collected.<sup>2</sup>

### How L&I calculates the administrative assessment

To calculate the rate, L&I staff divide the administrative contribution needed from self-insurers by the projected costs of claims. The rate apportions a share of the administrative expenses to individual employers.

#### For employers certified BEFORE July 1, 2023

##### Step 1 — Calculation of required funding

Base administrative costs for self-insurers for 2025	\$ 40,307,375
Add: Under collection for 2023 costs	\$ 21,451
<b>Adjusted administrative costs</b>	<b>\$ 40,328,826</b>

##### Step 2 — Calculation of rate for assessment

Adjusted administrative costs for 2025	\$ 40,328,826	
Divided by total claim payments projected for 2025	\$ 596,337,062	= 0.0676

#### For employers certified AFTER July 1, 2023 — Calculation of rate for assessment

Base administrative costs for self-insurers for 2025	\$ 40,307,375	
Divided by total claim payments projected for 2025	\$ 596,337,062	= 0.0676

### Questions about your administrative assessment?

Contact Certification Services via phone or email us at [CertificationSvcs@Lni.wa.gov](mailto:CertificationSvcs@Lni.wa.gov).

Signature:  Name: KRISTIN PATOCK Title: PROGRAM MANAGER

<sup>1</sup> L&I calculates and collects the administrative assessment on a fiscal year basis (RCW 51.44.150).

<sup>2</sup> Variation in estimates and amounts collected is anticipated. We address them through an annual adjustment for any over or under collection of funds from prior periods (WAC 296-15-223).



## What services are self-insured employers paying for?

Self-Insurance portion of costs by Program area	
<b>Self-Insurance Program</b>	<b>\$10,336,223</b>
■ <b>Administration:</b> Claims management and compliance activities	8,060,392
■ <b>Attorney General:</b> Legal services in support of self-insurance issues	1,631,858
■ <b>Ombuds Office:</b> Responding to inquiries from employees of self-insured employers; advocating with employers to ensure appropriate benefits	643,973
<b>Other Insurance Services</b>	<b>\$9,520,460</b>
■ <b>Claims Management:</b> Support for chemically-related-illness claims; pensions; claims policy development; vocational determinations; and other claims-related services	3,867,665
■ <b>Health Services Analysis, and Office of the Medical Director:</b> Controlling medical and drug costs; managing health-care providers; developing clinical guidelines; and legal expenses for appeals involving medical issues	1,738,552
■ <b>Imaging:</b> Providing electronic access to information submitted to L&I on paper	0
■ <b>Legal Services:</b> Managing appeals related to claims; recovering costs from third parties; and other expenses of administration for legal services	1,104,239
■ <b>Administration:</b> Self-insurers' share of administrative expenses related to claims and provider management, policy and billing. Includes share of expenses related to business transformation preparation.	2,706,241
■ <b>Actuarial Services:</b> Computation of insurance risks for injured workers' medical treatment, disability, and pension benefits	103,763
<b>General Administrative Expenses for L&amp;I</b>	<b>\$6,078,777</b>
■ <b>Information Services:</b> Developing and maintaining technology and maintaining data and voice systems, includes software licenses, fees to the state's Consolidated Technology Services, and maintenance of SIRAS	2,430,558
■ <b>Administrative Services:</b> Human Resources, budget, accounting, facilities maintenance	2,322,339
■ <b>Director's Office support for workers' compensation program:</b> Legislative services, policy development, Communications, provider hotlines, Lean office	924,550
■ <b>Field Services:</b> Costs of field offices statewide	401,330
<b>Programs administered by other agencies</b>	<b>\$7,881,237</b>
■ <b>Board of Industrial Insurance Appeals:</b> Independent board that hears appeals of L&I decisions related to workers' compensation and safety citations	5,788,503
■ <b>U.W. Dept. of Environmental and Occupational Health Sciences:</b> Promoting safe workplaces and preventing injury and illness through teaching and research	2,092,734
<b>Occupational Safety and Health</b>	<b>\$6,490,678</b>
■ <b>Division of Occupational Safety and Health:</b> Compliance activities, education, safety standards, and related legal services	5,406,833
■ <b>SHARP:</b> A safety/research program, Safety and Health for Research and Prevention	1,083,845
<b>Base administrative costs for self-insurers for FY 2025 ► \$40,307,375</b>	