

Retrospective Rating

Group vs. Individual Retrospective Rating Participation



You may participate in the Retrospective Rating Program as an individual employer or as part of an association-sponsored group. The main differences are:

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	Group	Individual
Minimum Premium Amount	There is no minimum annual premium for you to enroll in Retro as part of a group.	Your standard premium (accident and medical aid fund premium) must be at least \$5,860 (amount updated annually).
Fees	<p>You must be a member of the association that sponsors the group, which will have membership dues.</p> <p>Most groups also charge their members a fee in return for administering the Retro group. This may be:</p> <ul style="list-style-type: none"> ■ A flat fee. ■ A percentage of refunds. ■ A percentage of premiums. ■ A combination of these. 	No extra fees.
Services	Many groups offer services to improve the group’s Retro performance. These also often help members’ experience factor and rates to improve over time. Services may include accident prevention training and direct claim management help from the association or a third-party administrator.	No extra services.
Refund Potential	Groups typically have better refund potential because they have a larger premium total. Retro is “premium sensitive,” meaning the larger the premium, the greater the percentage refund for a given amount of risk. A large group risking 10% might realize a 20-40% refund.	If you’re a small premium payer, your potential refund is lower than large groups. For example, if you are risking 10% on your own, you might realize a 3-15% refund.
Choice	The association managing the group selects the Retro plan type, minimum and maximum loss ratios, and single loss limits. This means less control for you, but less to research and decide.	You choose the plan type, minimum and maximum loss ratios, and single loss limits.
Risk	Risk is spread within the group. If you have a bad claim year, you might still get a refund if the group has done well overall. However, if you have a good claim year, you may end up with an assessment (paying more premium) if the group didn’t do well.	Your refund or assessment is based entirely on your own performance.
How to Enroll	Contact an association that sponsors a group. See the complete list of associations at Lni.wa.gov/Retro .	Contact Retro at 360-902-4851 or email to Retro@Lni.wa.gov .

PUBLICATION F225-016-000 [10-2019]