FIX CA WORKERS' COMP NOW

Californians for Fair Workers' Compensation

Commissioner Approves Second Consecutive Workers' Compensation Rate Increase

California employers now face a two-year combined increase of **15.9%** in the workers' compensation advisory pure premium rate following Insurance Commissioner Ricardo Lara's approval of a 6.6% increase for 2026 – a hike that compounds the 8.7% increase adopted last year.

The rate increase comes on the heels of new data from the Workers' Compensation Insurance Rating Bureau of California (WCIRB) that identifies cumulative trauma (CT) claims as a leading driver of the system's rising costs.

What the Data Shows

The latest WCIRB research highlights several concerning trends:

- CT claims account for more than 26% of all workers' compensation claims, up from 13% in 2012.
- **58% of CT claims are filed after an employee has left their job, and 99% of those claims are litigated.**
- Employer costs associated with CT claims have more than doubled since 2021.
- The increase in cumulative trauma claims is unique to California, while national trends have remained relatively stable.

These findings reinforce what employers have experienced for years: costs continue to rise while the system becomes increasingly vulnerable to abuse.

"Two advisory rate hikes in two years should be a wake-up call for Sacramento. California employers, workers and taxpayers are absorbing the cost of a workers' compensation system that is being exploited and the problem is only getting worse."

– Tim East, Spokesperson, Californians for Fair Workers' Compensation

CWCI Findings Underscore CT Issues

Recent research from the California Workers' Compensation Institute (CWCI) further underscores the scale and reach of California's CT crisis.

- The CT share of total claims **has jumped from 9.2% in 2018 to 16.4%** in 2025, a nearly 78% relative increase.
- **Every industry is impacted,** with food service, health care, manufacturing and retail accounting for nearly half of all CT claims in California.
- **CT injuries are almost universally litigated.**
- **Southern California attorneys now handle 95% of all CT cases** statewide, up from 86% in 2019.

- The number of Northern California injured workers represented by attorneys in Orange County and the Inland Empire **increased by more than 380%** between 2018 and 2024.

The Time for Reform Is Now

California must address the issues at the root of the CT surge and fix the workers' compensation system to protect injured workers, stop bad actors from abusing it and bring rising costs under control.

Californians for Fair Workers' Compensation is calling on state lawmakers to enact commonsense reforms that close legal loopholes, restore accountability and safeguard the system for the workers it was designed to protect. Click here to read our latest press release.

Learn more about the campaign and our proposed reforms at FixCAWorkers' Comp.com.

In the News

Recent media coverage has highlighted the growing challenges facing California's workers' compensation system and the continued rise in employer costs.

- Surging cumulative trauma claims driving frequency, costs
- California Cumulative Trauma Claims Surge, Now Represent a Quarter of Workers' Comp Pure Premium
- Flash Report: Workers' Comp Rate Hike

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