BEFORE THE COMMISSIONER OF
THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

IN THE MATTER OF:	)	
	)	
NATIONAL COUNCIL ON	)	**No.: 23-075**
COMPENSATION INSURANCE, INC.	)	
ASSIGNED RISK RATE FILING AND	)	
LOSS COST MULTIPLIER	)	

ORDER APPROVING WORKERS' COMPENSATION
ASSIGNED RISK RATE FILING AND LOSS COST MULTIPLIER

Pursuant to Tenn. Code Ann. § 56-5-114(c)(6)(B), the Commissioner of the Department of Commerce and Insurance ("Commissioner") shall annually establish the multiplier to be applied to the advisory prospective loss cost for the assigned risk plan. Additionally, this matter was presented for consideration in accordance with Tenn. Code Ann. § 50-6-402(b), which requires the Commissioner to consult with the Advisory Council on Workers' Compensation ("Advisory Council") before approving any workers' compensation loss cost filing made by the designated rate service organization and approve, disapprove, or modify the filing within ninety (90) days of receiving the filing.

On September 20, 2023, the National Council on Compensation Insurance ("NCCI") submitted its annual Tennessee workers' compensation assigned risk rate and rating values filing ("assigned risk rate filing") with a proposed effective date of March 1, 2024. The assigned risk rate filing proposed a decrease in the overall assigned risk rate level of eleven and three-tenths percent (-11.3%) from the rates in effect March 1, 2023, consisting of an overall decrease of eleven and one-tenths percent (-11.1%) in the workers' compensation voluntary loss cost level

and a three-tenths percent (-0.3%) decrease in the assigned risk loss cost multiplier ("LCM").

The assigned risk rate filing included an adjustment in the LCM decreasing the LCM from one and eight hundred twenty-nine thousandths (1.829) to one and eight hundred twenty-four thousandths (1.824), effective March 1, 2024. Tenn. Code Ann. § 56-5-114(c)(6)(B) requires the Commissioner to establish the LCM taking into consideration the estimated cost of providing plan services and the level of multipliers in the voluntary market.

Pursuant to Tenn. Code Ann. § 50-6-402(c), the Commissioner provided notice of the intent to decrease the LCM from one and eight hundred twenty-nine thousandths (1.829) to one and eight hundred twenty-four thousandths (1.824) to the Advisory Council on December 15, 2023.

Upon consideration of the factors set forth in Tenn. Code Ann. § 56-5-114(c)(6)(B), consideration of the estimated cost of providing plan services, the multipliers in the voluntary market, and the level of plan utilization compared to the voluntary market, the Commissioner **APPROVES** a decrease of the LCM from one and eight hundred twenty-nine thousandths (1.829) to one and eight hundred twenty-four thousandths (1.824), effective March 1, 2024.

It is the determination of the Commissioner that the assigned risk rate change would constitute an overall decrease of nine and seven-tenths percent (-9.7%) from the overall assigned risk rate level that became effective March 1, 2023. Therefore, pursuant to Tenn. Code Ann. § 56-5-114(c), the assigned risk rate filing is **APPROVED** to a decrease of nine and seven-tenths percent (-9.7%) from the Tennessee workers' compensation assigned risk plan rates that became effective March 1, 2023. The approved adjustments shall become effective March 1, 2024.

It is so **ORDERED.**

ENTERED the 30th day of December, 2023.

Carter Lawrence (Dec 26, 2023 09:15 CST)

Carter Lawrence
Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:

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