

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

| | | |
|--------------------------------------|---|--------------------|
| IN THE MATTER OF: |) | |
| |) | |
| NATIONAL COUNCIL ON |) | No.: 24-040 |
| 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 30, 2024, 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, 2025. The assigned risk rate filing proposed a decrease in the overall assigned risk rate level of four and four-tenths percent (-4.4%) from the rates in effect March 1, 2024, consisting of an overall decrease of three and six-tenths percent (-3.6%) in the workers' compensation voluntary loss cost level and an eight-tenths percent (-0.8%) decrease in the assigned risk loss cost multiplier.

The assigned risk rate filing included an adjustment in the Loss Cost Multiplier (“LCM”) decreasing the LCM from one and eight-hundred-twenty-four thousandths (1.824) to one and eight-hundred-nine thousandths (1.809), effective March 1, 2025.

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-four thousandths (1.824) to one and eight-hundred-nine thousandths (1.809) to the Advisory Council on November 26, 2024, with no objection or comment submitted by the Advisory Council.

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-four thousandths (1.824) to one and eight-hundred-nine thousandths (1.809), effective March 1, 2025.

It is the determination of the Commissioner that the assigned risk rate change would constitute an overall decrease of four and four-tenths percent (-4.4%) from the overall assigned risk rate level that became effective March 1, 2024.

Pursuant to Tenn. Code Ann. § 56-5-114(c), the assigned risk rate filing is **APPROVED** to a decrease of four and four-tenths percent (-4.4%) from the Tennessee workers’ compensation assigned risk plan rates that became effective March 1, 2024. The approved adjustments shall become effective March 1, 2025.

It is so **ORDERED**.

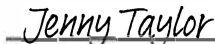
ENTERED this 27th day of December, 2024.



Carter Lawrence (Dec 27, 2024 13:18 CST)

Carter Lawrence
Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:



Jenny Taylor (Dec 16, 2024 13:49 CST)

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