



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

**IN THE MATTER OF:** )  
 )  
**NATIONAL COUNCIL ON** ) **No.: 21-206**  
**COMPENSATION INSURANCE, INC.** )  
**ASSIGNED RISK RATE FILING AND** )  
**LOSS COST MULTIPLIER** )

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

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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 August 25, 2021, 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, 2022. The filing proposed a decrease in the overall Assigned Risk Rate level of three percent (3%) from the rates in effect March 1, 2021, consisting of an overall decrease of five and six tenths percent (-5.6%) workers’ compensation voluntary loss cost level change and a two and eight tenths percent

(2.8%) increase in the Assigned Risk Loss Cost Multiplier.

The Assigned Risk Rate Filing included an adjustment in the Loss Cost Multiplier (“LCM”) increasing the LCM from one and seven hundred ninety-one thousandths (1.791) to one and eight hundred forty-two thousandths (1.842), effective March 1, 2022.

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 increase the LCM from one and seven hundred ninety-one thousandths (1.791) to one and eight hundred forty-two thousandths (1.842) to the Advisory Council on September 29, 2021. The Advisory Council, in a letter dated October 18, 2021, sent by State Treasurer and Chairman David Lillard, Jr., supported the Commissioner’s intent to increase the assigned risk multiplier as filed by NCCI.

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 an increase of the LCM from one and seven hundred ninety-one thousandths (1.791) to one and eight hundred forty-two thousandths (1.842), effective March 1, 2022.

It is the determination of the Commissioner that pursuant to Tenn. Code Ann. § 56-5-114(c), the assigned risk rate change would constitute an overall decrease of three percent (3%) from the overall Assigned Risk Rate level that became effective March 1, 2021. Pursuant to Tenn. Code Ann. § 56-5-114(c), the Assigned Risk Rate Filing herein is APPROVED to an overall rate decrease of three percent (3%) from the Tennessee Workers’ Compensation

Assigned Risk Plan rates that became effective March 1, 2021. The approved adjustments shall become effective March 1, 2022.

It is so **ORDERED**.

**ENTERED AND EXECUTED** November 16, 2021.



Carter Lawrence (Nov 16, 2021 17:05 CST)

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Carter Lawrence  
Commissioner  
Department of Commerce and Insurance

**APPROVED FOR ENTRY:**



Jenny Taylor (Nov 15, 2021 10:53 CST)

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