IN THE MATTER OF:  
NATIONAL COUNCIL ON COMPENSATION INSURANCE, INC.  
WORKERS' COMPENSATION  
LOSS COST FILING  

ORDER APPROVING WORKERS' COMPENSATION LOSS COST FILING

This matter was presented for consideration in accordance with Tenn. Code Ann. § 50-6-402(b), which requires the Commissioner of the Department of Commerce and Insurance ("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 27, 2019, the National Council on Compensation Insurance ("NCCI") submitted its annual Workers’ Compensation Voluntary Loss Cost and Rating Values ("Loss Cost Filing") with a proposed effective date of March 1, 2020, which recommended an overall DECREASE of nine and five-tenths percent (9.5%) of the voluntary loss cost from the loss cost that became effective March 1, 2019.

On October 3, 2019, the NCCI provided the Advisory Council with a medical fee schedule impact statement. The statement noted that workers’ compensation medical fee schedule changes, which became effective September 10, 2019, were not available at the time of the NCCI Loss Cost Filing and that the changes could impact its calculations. The NCCI determined that the impact of the medical fee schedule changes was an increase of one and five-tenths percent (1.5%). Incorporating this change, the overall decrease in loss cost recommended by the NCCI was revised to a DECREASE of eight and two-tenths percent (8.2%) in the loss cost.
The Advisory Council met on October 10, 2019, to consider the NCCI filing relative to the voluntary loss cost pursuant to Tenn. Code Ann. § 50-6-402(b) and, by letter to the Commissioner dated October 24, 2019, recommended a loss cost decrease of four percent (4.0%) rather than the eight and two-tenths percent (8.2%) decrease proposed by the NCCI.

On November 6, 2019, upon reviewing the information provided by the NCCI, the information presented to the Advisory Council by the Advisory Council’s actuary, and the Department’s consulting actuary, it is the determination of the Commissioner to MODIFY the NCCI Loss Cost Filing to an overall DECREASE of seven and one-tenth percent (7.1%) from the voluntary loss cost that became effective March 1, 2019. The Workers’ Compensation Voluntary Loss Cost and Rating Values are APPROVED as MODIFIED and the adjustments shall become effective March 1, 2020.

It is so ORDERED.

ENTERED this 20 day of November, 2019.

[Signature]
Hodgen M. Mims
Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:

[Signature]
Jonny Taylor (BPR #027264)
Associate General Counsel and Supervising Attorney
Department of Commerce and Insurance
500 James Robertson Parkway
Nashville, TN 37243
(615) 741-2325

Order Approving Workers’ Compensation Loss Cost Filing
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