



March 18, 2009

CIRCULAR LETTER TO ALL MEMBER COMPANIESRe: Workers Compensation InsuranceExperience Rating Plan Manual
Changes to Rule 2-E.

The North Carolina Rate Bureau has adopted and the North Carolina Commissioner of Insurance has approved the adoption of changes to NCCI's Experience Rating Plan Manual. The approval is effective April 15, 2009 and will impact Rule 2-E-2.

Current Language	Revised Language Effective 04/15/09
<p><i>Non-Affiliate Self-Insurer and Non-Affiliate Carrier Data</i></p> <p>a. Experience of risks insured by non-affiliate self-insurers and non-affiliate carriers may be included in an experience rating.</p> <p>b. The data must be submitted to the rating organization in an approved format (see the ERM-6 Form in Appendix). The data is subject to verification by the affiliate self-insurer or affiliate carrier submitting the data for inclusion in an experience rating.</p> <p>c. The affiliate self-insurer or affiliate carrier requesting the data inclusion must be the risk's insurer during the time for which the modification including non-affiliate data would apply.</p> <p>d. For multiple insurer risks, agreement from only one of the risk's insurers, during the time for which the modification would apply, is required.</p> <p>e. The non-affiliate self-insurer or non-affiliate carrier data will not be used to determine premium eligibility.</p>	<p>In North Carolina, the terms "non-affiliate self-insurers" and "non-affiliate carriers" are not used. For the purpose of North Carolina users, this section applies to self-insurance groups funds.</p> <p>Experience of risks insured by self-insurance group funds may be included in experience ratings. All self insured group funds must get approval from the North Carolina Rate Bureau before submitting statistical data. All data must be submitted to the North Carolina Rate Bureau according to the rules of the North Carolina Statistical Plan in the WCIO WCSTAT electronic format. ERM6's are not accepted.</p> <p>Self insurance group data correctly submitted to the North Carolina Rate Bureau will be used to determine premium eligibility used in the calculation of North Carolina experience rating modifications.</p>

2. Non-Affiliate Self-Insurer and Non-Affiliate Carrier Data

Add the following to Rule 2-E-2:

Exception:

If the former self-insurer was a participant in an approved group self-insurer fund, payroll and loss information submitted by the self-insurer fund administrator may be included in an experience rating. Payroll and loss data shall be subject to verification by the North Carolina Rate Bureau.

Contact the Information Center at 919-582-1056 or winfo@ncrb.org, if you require additional information.

Sincerely,

Sue Taylor

Director of Insurance Operations

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