

**NORTH CAROLINA RATE BUREAU**

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April 15, 1999

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance  
Item R-1356 - 1999 Update to Retrospective Rating Plan  
Parameters and Rules

The Bureau has adopted and the North Carolina Commissioner of Insurance has approved a proposal to update the State and Hazard Group Severity Relativities and the USL&HW Excess Loss Pure Premium Factors of the Retrospective Rating Plan. Also approved is the introduction of a rule regarding the use of deductible programs with retrospectively rated policies.

The following exhibits are attached:

Exhibit I - Revised Hazard Group Differentials

Exhibit II - Updated USL&HW Excess Loss Pure Premium Factors

Exhibit III - *Retrospective Rating Plan Manual* rule for deductible programs

The changes proposed by Item R-1356 have been approved to become effective July 1, 1999, applicable to new and renewal business only.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

Enclosures

