No. <u>4413</u>

OFFICIAL ORDER of the TEXAS COMMISSIONER OF INSURANCE

Date: April 28, 2016

Subject Considered:

AMENDMENTS TO THE NATIONAL COUNCIL ON COMPENSATION INSURANCE BASIC MANUAL, FORMS MANUAL, AND STATISTICAL PLAN FOR WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE NCCI FILING ITEM NO. 01-TX-2015

The commissioner of insurance considered amendments to the National Council on Compensation Insurance Basic Manual for Workers Compensation and Employers Liability Insurance (NCCI's Basic Manual), Forms Manual of Workers Compensation and Employers Liability Insurance (NCCI's Forms Manual), and Statistical Plan for Workers Compensation and Employers Liability Insurance (NCCI's Stat Plan) proposed in Item 01-TX-2015—Revisions to Basic Manual, Forms Manual, and Statistical Plan (TDI ECase No. 9521; Filing Link Nos. NCCI-130100595 and NCCI-130100613).

After considering the filing, the commissioner adopts the following findings of fact and conclusions of law.

FINDINGS OF FACT

- 1. NCCI filed *Item 01-TX-2015* on May 29, 2015, under the workers' compensation manual rule filing procedure adopted in Commissioner's Order No. 3142, dated March 21, 2014. NCCI filed amended exhibits on August 24, 2015, at TDI staff's request.
- 2. *Item 01-TX-2015* contains changes to the language in rules and forms for consistency and clarity, and corrects inadvertent omissions when TDI adopted the NCCI manuals. The TDI chief clerk has had copies of the full text of the filing and related exhibits since the filing date. The filing and exhibits are incorporated by reference into this order.
- 3. As filed, the changes in *Item 01-TX-2015* would apply to new and renewal policies with effective dates on or after 12:01 a.m., July 1, 2015. TDI staff requested that the changes in *Item 01-TX-2015* instead apply to new and renewal policies with effective dates on or after 12:01 a.m., July 1, 2016, given the timing of the filing, amendments, and notice.

- 4. On January 21, 2016, TDI published notice of the filing on the TDI website at www.tdi.texas.gov/rules/2015/nccimanual.html, and distributed notice of the filing to electronic news subscribers.
- 5. TDI received no comments on the filing by the February 22, 2016, deadline.

CONCLUSIONS OF LAW

- 1. The commissioner has jurisdiction over this matter under Insurance Code Article 5.96 and Sections 2051.201, 2052.002, and 36.001.
- 2. Commissioner's Order No. 3142, dated March 21, 2014, established a procedure for the commissioner to consider changes to NCCI's manuals:

a) NCCI makes a filing;

b) TDI publishes notice of the filing on the TDI website and distributes notice of the filing to subscribers to TDI's electronic news, with at least a 30-day period for interested persons to submit comments or request a hearing; and

c) the commissioner issues an order approving the filing, approving the filing with changes, or rejecting the filing.

- 3. TDI gave proper and timely notice in compliance with Commissioner's Order No. 3142.
- 4. The proposed amendments to NCCI's *Basic Manual*, NCCI's *Forms Manual*, and NCCI's *Stat Plan* are reasonable and consistent with Texas workers' compensation statutes and rules.
- 5. Applying the changes in *Item 01-TX-2015* to new and renewal policies with effective dates on or after 12:01 a.m., July 1, 2016, is reasonable.

The commissioner approves NCCI's amended filing *Item 01-TX-2015—Revisions to Basic Manual, Forms Manual, and Statistical Plan* for new and renewal policies with effective dates on or after 12:01 a.m., July 1, 2016.

David C. Mattax

Commissioner of Insurance