Official Order of the Texas Commissioner of Insurance

Date: <u>02/24/2022</u>

Subject Considered:

National Council on Compensation Insurance Filing Item B-1444—NCCI's Basic Manual for Workers Compensation and Employers Liability Insurance

The subject of this order is the adoption of amendments to the National Council on Compensation Insurance (NCCI) manuals, as proposed in *Item B-1444—NCCI's Basic Manual for Workers Compensation and Employers Liability Insurance* (TDI ECase No. 27556; SERFF Tracking No. NCCI-132867551).

Background

NCCI filed *Item B-1444* to amend the NCCI *Basic Manual for Workers Compensation and Employers Liability Insurance* (Basic Manual), the Forms Manual of Workers Compensation and Employers Liability Insurance (Forms Manual), the Experience Rating Plan Manual for Workers Compensation and Employers Liability Insurance (Experience Rating Plan), and the Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan).

This filing eliminates the national manual with state exceptions and replaces it with a complete Texas Basic Manual that has all the rules and classification codes in one place. NCCI is creating stand-alone manuals for every NCCI state.

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

Findings of Fact

1. NCCI filed *Item B-1444* with TDI on June 9, 2021, under the workers' compensation manual rule filing procedure adopted in Commissioner's Order No. 3142, dated March 21, 2014.

2022-7251

Commissioner's Order NCCI *Item B-1444* Page 2 of 3

- 2. *Item B-1444* introduces a new edition of NCCI's Basic Manual as a Texas state-specific manual, rather than a national manual with state specific exceptions. This new edition has an updated structure and format for improved online use.
- 3. This filing also includes some changes to other NCCI manuals to update references to the Basic Manual. This filing does not make any substantive changes to any rule or classification that would result in premium impact.
- 4. On June 17, 2021, TDI published notice of the filing on the TDI website at www.tdi.texas.gov/rules/2021/nccimanual.html and distributed notice of the filing to electronic news subscribers.
- 5. TDI received one written comment from Texas Mutual Insurance Company by the August 16, 2021, deadline. In response, NCCI updated an acronym.
- 6. At TDI's request, NCCI amended its original filing on September 14 and September 24, 2021, and October 19, 2021, to make numerous corrections and nonsubstantive revisions to the filing.
- 7. On December 14, 2021, TDI published notice of the amended filing on the TDI website at www.tdi.texas.gov/rules/2021/nccimanual.html and distributed notice of the filing to electronic news subscribers.
- 8. TDI received no written comments on the filing by the January 14, 2022, deadline.
- 9. *Item B-1444* has been available for public inspection in SERFF and at TDI since the filing date.
- 10. NCCI proposed that the changes be effective for new and renewal workers' compensation policies issued on or after 12:01 a.m. on November 1, 2021, and any in-force policy in effect on and after November 1, 2021.
- 11. The amended filing, including exhibits, is incorporated by reference into this order.

Conclusions of Law

1. TDI has jurisdiction over this matter under Insurance Code Article 5.96 and §§ 2051.002, 2051.201, 2052.002, 2053.002, 2053.011, 2053.051, and 2053.052.

2022-7251

Commissioner's Order NCCI *Item B-1444* Page 3 of 3

- 2. TDI gave notice in compliance with Commissioner's Order No. 3142.
- 3. The amendments to the NCCI Basic Manual are consistent with Insurance Code Article 5.96 and Chapters 2051, 2052, and 2053.
- 4. Because the proposed effective date has passed, a later effective date is necessary.

Order

It is ordered that NCCI's filing, *Item B-1444—NCCI's Basic Manual for Workers Compensation and Employers Liability Insurance*, as amended, is approved. The changes in *Item B-1444* apply to new and renewal policies that are effective on or after 12:01 a.m. on April 1, 2022, and any in-force policy in effect on and after April 1, 2022.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

Docusigned by:

Mark Worman

Mark Worman, Deputy Commissioner

Docusigned by:

James Person, General Counsel