

**TEXAS DEPARTMENT OF INSURANCE**  
**NOTIFICATION OF WORKERS' COMPENSATION FILING BY**  
**THE NATIONAL COUNCIL ON COMPENSATION INSURANCE**

***ITEM 01-TX-2015***

The National Council on Compensation Insurance (NCCI) filed *Item 01-TX-2015* (TDI ECase No. 9521; Filing Link Nos. NCCI-130100595 and NCCI-130100613) with the Texas Department of Insurance 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. The filing proposes that 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 has 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.

*Item 01-TX-2015* affects the following NCCI manuals adopted in Texas:

- *Basic Manual for Workers Compensation and Employers Liability Insurance*
- *Forms Manual of Workers Compensation and Employers Liability Insurance*
- *Statistical Plan for Workers Compensation and Employers Liability Insurance.*

*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. For example, *Item 01-TX-2015*:

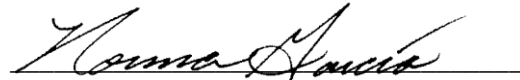
- clarifies the application of several classification codes in Texas;
- updates terminology for professional employer organizations, in accordance with Senate Bill 1286, 83rd Legislature, Regular Session (2013);
- corrects inadvertent omissions with regard to handling coverage for managers with less than 25 percent equity ownership in an LLC and to filing with TDI percentages for increased limits not displayed in the table;
- clarifies the rating for non F- and Admiralty/FELA classifications, and that A-rates for these classifications and those for supplementary disease are developed by the carrier rather than filed by the carrier;
- clarifies the determination of the premium discount for a single state policy without retrospective rating;

- corrects inadvertent omissions in the Texas Miscellaneous Rules regarding security agreements for the payment of deductible amounts, certain filing requirements for group purchase of workers' compensation, and automatic coverage under the standard policy;
- adds language to the Texas Amendatory Endorsement to put employers on notice about the existing manual rule regarding the dispute resolution process;
- clarifies statistical code use in the Statistical Plan for all other limits of liability and the vocational rehabilitation indicator to be consistent with national reporting; and
- in the Statistical Plan, adds a discontinuation date of June 30, 2018, for negotiated modifiers and clarifies that negotiated modifications are only available for policies with effective dates before July 1, 2018, to be consistent with Commissioner's Order No. 3708.

TDI prepared the above description of the proposed amendments. You may review a copy of NCCI's filing in the Office of the Chief Clerk of the Texas Department of Insurance, 333 Guadalupe Street, Austin, Texas 78701; or on the TDI website at [www.tdi.texas.gov/rules/2015/nccimanual.html](http://www.tdi.texas.gov/rules/2015/nccimanual.html).

**Public Comment:** To comment on the filing or to request a hearing, please submit two copies of your comments by 5 p.m., Central time, on February 22, 2016. Refer to TDI ECase No. 9521. Send one copy to [ChiefClerk@tdi.texas.gov](mailto:ChiefClerk@tdi.texas.gov) or to the Office of the Chief Clerk, Mail Code 113-2A, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104. Send the other copy to Marilyn Hamilton, at [Marilyn.Hamilton@tdi.texas.gov](mailto:Marilyn.Hamilton@tdi.texas.gov), or to the Personal and Commercial Lines Office, Mail Code 104-PC, Texas Department of Insurance, P.O. Box 149104, Austin, Texas 78714-9104.

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Texas Department of Insurance