Official Order
of the
Commissioner of Insurance
of the
State of Texas
Austin, Texas

Date: MAR 20 2009

Subject Considered:

ADOPTION OF REVISED WORKERS' COMPENSATION CLASSIFICATION RELATIVITIES AND AMENDMENTS TO THE TEXAS BASIC MANUAL OF RULES, CLASSIFICATIONS AND EXPERIENCE RATING PLAN FOR WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE UPDATING THE EXPECTED LOSS RATES AND DISCOUNT RATIOS TABLE

Docket No. 2703

ORDER CORRECTING EXHIBIT B TO COMMISSIONER'S ORDER NO. 09-0104 NUNC PRO TUNC

Upon the motion of the Commissioner of Insurance on this day came on for consideration the amendment nunc pro tunc of Commissioner's Order No. 09-0104 entitled 'Adoption of Revised Workers' Compensation Classification Relativities and Amendments to the Texas Basic Manual of Rules, Classifications and Experience Rating Plan for Workers' Compensation and Employers' Liability Insurance Updating the Expected Loss Rates and Discount Ratios Table' as of the date of entry thereof.

The Commissioner, after due consideration, finds and determines that Exhibit B to Commissioner's Order No. 09-0104, entered and dated February 19, 2009, inadvertently failed to disclose expected loss rates and discount ratios for several class codes. Class codes 0059, 0065, 0066, 0067, 0913, 0923, 1165, 4766, 4777, 4801,
4802, 4803, 4805, 4807, 4808, 4809, 4810, 4811, 4812, 4813, 4814, 4815, 4816, 4817, 4819, 4821, 4822, 4823, and 6205 were all listed as 'a' rated for the expected loss rates and discount ratios. Since these class codes are 'a' rated, relativities are not promulgated for them. However, expected loss rates and discount ratios must be provided for these class codes. These expected loss rates and discount ratios are calculated by adjusting each class code's prior factor by the average change from the January 1, 2008 to the May 1, 2009 expected loss rates and discount ratios. The average change from the January 1, 2008 to the May 1, 2009 expected loss rates is 15.9%. The average change from the January 1, 2008 to the May 1, 2009 discount ratios 0%. Hence, Exhibit B should be corrected to include these factors.

IT IS THEREFORE THE ORDER of the Commissioner of Insurance that Exhibit B to Commissioner's Order No. 09-0104, be amended nunc pro tunc as of the date of entry thereof and be incorporated verbatim into said order as the attached exhibit to this order.

AND IT IS SO ORDERED.

Mike Geeslin
Commissioner of Insurance

Recommended by:

Chief Actuary
Property and Casualty Program
COMMISSIONER'S ORDER
ADOPTION OF REVISED WORKERS' COMPENSATION CLASSIFICATION RELATIVITIES
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ATTEST:

Gene C. Jarmon
General Counsel and Chief Clerk
Texas Department of Insurance
Commissioner's Order No. 09-0181
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