

No. 2017-5241

**Official Order
of the
Texas Commissioner of Insurance**

Date: October 6, 2017

Subject Considered:

**Amendments to the
National Council on Compensation Insurance
Statistical Plan for Workers Compensation and Employers Liability Insurance
NCCI Filing *Item U-1400***

The Texas Department of Insurance considers amendments to the National Council on Compensation Insurance *Statistical Plan for Workers Compensation and Employers Liability Insurance (Statistical Plan)* (TDI ECase No. 12581; SERFF Tracking No. NCCI-130886160; February 14, 2017).

After considering the filing, and the amendments to pages 182, 203, 209, and 210, TDI adopts the following findings of fact and conclusions of law.

Findings of Fact

1. NCCI filed *Item U-1400* on February 14, 2017, using the procedure adopted in Commissioner's Order No. 3142 for revisions to NCCI's workers' compensation manuals.
2. On March 22, 2017, NCCI filed amendments to *Item U-1400* in Exhibit 26, pages 182, 203, 209, and 210 in response to staff's objections.
3. *Item U-1400* is a national filing. For Texas, *Item U-1400*:
 - a. Adds reporting clarifications to improve the usability of reporting rules.
 - b. Replaces Part 6 in its entirety. Exhibit 25 displays the current Part 6 in strikethrough and Exhibit 26 displays the amended Part 6 in its entirety without underline (as published).
 - c. Incorporates the newly redesigned Part 6—Coding Values section as follows:
 - 1) Data element organization—All data elements in Part 6 are organized in the following categories:
 - Header/Policy Information;
 - Exposure Information;
 - Loss Information; and
 - Statistical Codes.

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- 2) New table format structure—All data elements and coding values are displayed in separate tables to improve ease of use when searching for and using *Statistical Plan* coding values.
- 3) *Statistical Plan* reporting rule cross-references—New rule cross-references added for specific coding values to the associated *Statistical Plan* reporting rule.
- d. Adds manual maintenance items to include reporting rule cross-reference changes due to the redesign of Part 6.
- e. Includes Exhibit 28, which is a Texas Exception in Part 3F that was reformatted for improved usability.
- f. Includes Exhibits 29 and 30, which are Texas Exceptions updated with cross-references due to the reformatting of Part 6.
4. The TDI chief clerk has had copies of the full text of the filing, amendments, and related exhibits available to the public since the filing date. The filing, amendments, and exhibits are incorporated by reference into this order.
5. The changes in *Item U-1400* apply to new and renewal policies effective January 1, 2018.
6. On May 15, 2017, TDI published notice of the filing, and the amendments to pages 182, 203, 209, and 210 on its website at www.tdi.texas.gov/rules/2017/nccimanual.html, and distributed notice of the filing to electronic news subscribers.
7. TDI did not receive comments or hearing requests regarding the filing.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under Insurance Code Article 5.96 and §§2051.002, 2051.201, 2052.002, 2053.101, 2053.102, 2053.103, 2053.151, 2053.152, 2053.154, 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.

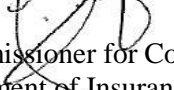
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4. The amendments to NCCI's *Statistical Plan for Workers Compensation and Employers Liability Insurance* are reasonable, and are consistent with Texas workers' compensation statutes and rules.
5. Applying the changes in *Item U-1400*, as amended, to new and renewal policies effective on and after January 1, 2018, is reasonable.

TDI approves NCCI's filing, *Item U-1400—Revisions to Statistical Plan for Workers Compensation and Employers Liability Insurance*, as amended for new and renewal policies effective on and after January 1, 2018.



Mark Einfalt
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Texas Department of Insurance
Delegation Order 4506