New York Compensation Insurance Rating Board

BULLETIN

September 16, 2008

Contact: Nancy Ojeda, Supervisor, Rating Services
Fax. 163, nojeda@nycirb.org

R.C. 2186

To The Members of the Board

Re: Promulgation of Experience Ratings for Former Self-Insured Risks

As a result of recent activity within the self-insured group trust community, the Rating Board has received an unusually high volume of inquiries regarding the promulgation of experience ratings for former self-insured trust members.

The following information is provided to assist carriers in obtaining experience modifications when writing new policies for former self-insureds:

- A written request must be submitted to the Rating Services Department of the Rating Board. (There is a fee for this service which is listed in the Information section of the Board’s website under Products & Services)

- In accordance with rules described in the New York Experience Rating Plan, a total of up to 45 months of experience can be included in an experience rating, not including the year immediately prior to the effective date of a rating.

- Experience of self-insured employers, for the time that they were in a self-insurance program, must be submitted on an ERM-6 form signed by the employer, the group self-insured trust or an authorized representative of the employer.

- The ERM-6 form must contain specific payroll and loss information for each classification code that produced that experience. A copy of the ERM-6 form, contained in the Board’s Experience Rating Plan Manual, is attached for your reference.

- Each experience year’s payroll and loss information must be listed separately.

- Data is subject to verification by the entity submitting the data, as well as by the Rating Board.
• An experience rating will be promulgated in accordance with the rules of the New York Experience Rating Plan; however, because we cannot verify the accuracy of data submitted by non-members, the modification factor will be issued with a disclaimer.

• If the experience rating is issued after the policy effective date, the application of the experience modification will apply retroactively to the inception date of the policy, or as of the rating anniversary date, if different from the policy inception date.

Those risks not able to fulfill the requirements listed above will be treated as non-rated until such time as sufficient experience develops to promulgate an Experience Rating.

Very truly yours,

Monte Almer

President

MA:jg
WORKERS COMPENSATION EXPERIENCE RATING DATA
FOR SELF-INSURED

NAME OF RISK ________________________________

ADDRESS OF RISK _________________________ CITY _______ STATE ________

ZIP _____ RISK IDENTIFICATION NO. ________ EFFECTIVE DATE OF RATING ________

FEDERAL IDENTIFICATION NUMBER ________ STATE OF COVERAGE ________

<table>
<thead>
<tr>
<th>Coverage Period</th>
<th>(1) Effective Month/Day/Year</th>
<th>(2) Expiration Month/Day/Year</th>
<th>(3) Class Code</th>
<th>(4) Payroll</th>
<th>(5) Claim Identification Number Assigned</th>
<th>(6) Injury Type Code</th>
<th>(7) Open/Closed/Final (O/F)</th>
<th>(8) Incurred Losses (Paid plus Reserves)</th>
</tr>
</thead>
</table>

PLEASE FOLLOW THE INSTRUCTIONS ON THE BACK PAGE FOR COMPLETING THIS WORKSHEET AND RETURN IT TO THE RATING SERVICES DIVISION OF THE RATING BOARD PRIOR TO THE RATING EFFECTIVE DATE.
INSTRUCTIONS FOR SUBMITTING EXPERIENCE RATING DATA

PAYROLL AND LOSSES MUST BE ROUNDED TO THE NEAREST WHOLE DOLLAR.

COLUMN 1 Fill in the effective month, day and year of the period for which information will be provided. In accordance with Rating Board rules, a total of three years of experience can be included in the rating, not including the year immediately prior to the effective date of this rating. Each year's payroll and losses should be listed separately.

COLUMN 2 Fill in the expiration month, day and year of the period for which information will be provided.

COLUMN 3 Fill in the workers compensation classification code(s) that best describes your type of business. If you have any questions regarding these classifications, please contact the Classification Division of the Rating Board.

COLUMN 4 Fill in the payroll amounts associated with the classification code(s) for each year being reported.

COLUMN 5 Provide the claim number used for internal record keeping for each claim. If claim numbers are not used for internal record keeping, leave column blank.

COLUMN 6 Fill in the appropriate injury type code (see following list). Only one injury type code is applicable per claim. Medical only claims should be listed as a “6”, but claims that include both medical and disability or death benefits should be listed under the applicable disability or death code, such as “5” (Temporary Total or Temporary Partial Disability). Injury types must be noted for each entry.

1 = Death
2 = Permanent Total Disability
3 = Permanent Partial Disability
4 = Temporary Total Disability
5 = Temporary Partial Disability
6 = Medical Only
7 = Contract Medical or Hospital Allowance
8 = Permanent Partial Disability
9 = Temporary Total or Temporary Partial Disability

COLUMN 7 Indicate whether the claim is open or closed/final by placing an O or F in the column.

COLUMN 8 In column 8, fill in the incurred (sum of paid plus reserves) losses per row. If no claims occurred, place a 0 in that space. Claims must be reported individually regardless of claim amount.

The experience rating will be completed in accordance with the New York Experience Rating Plan. However, because we do not verify the accuracy of the data submitted by non-members, the modification factor will be issued with a disclaimer.

| Name of the self-insured entity requesting the rating | |
|------------------------------------------------------|
| Name of the entity submitting the data (if different) |
| Street and City                                      |
| State _____   Zip _______   Phone _______   Fax _______   E-Mail _______ |

AGREEMENT

We hereby certify that the information given in this report is correct to the best of our knowledge and belief. BY SUBMISSION OF THIS INFORMATION, WE REQUEST THAT THE NEW YORK COMPENSATION INSURANCE RATING BOARD PRODUCE EXPERIENCE MODIFICATION FACTORS ON EACH OF THE RISKS LISTED AND AGREE TO PAY THE FEES CHARGED FOR THIS SERVICE. In consideration of the Rating Board's agreement to produce the requested experience modifications, we release and discharge the Rating Board, its officers, directors, employees and agents from all liability (except for gross negligence) in connection with the production or application of the same.

The person signing this agreement certifies that he/she has the authority to execute this agreement on behalf of the self-insured entity requesting the rating. Authorized signers include the risk, the group self-insured and the TPA ONLY.

Signed ___________________________   Date ________________
Printed Name of Signer _______________   Title ________________

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