

FREQUENTLY ASKED QUESTIONS:
WORKERS COMPENSATION
FILINGS

The North Carolina Rate Bureau (NCRB, Rate Bureau) has a Workers Compensation Forms Subcommittee that reviews forms to be filed on behalf of all member companies.

This document answers the following questions regarding Workers Compensation Forms:

1. Does the Rate Bureau or the insurer file forms with the Department of Insurance?
2. What needs to be submitted by a member company to the North Carolina Rate Bureau when the member company desires a new form to be reviewed and/or filed?
3. What Workers Compensation endorsement forms are currently approved for use in North Carolina?
4. Can I use SERFF to make a form filing with the North Carolina Rate Bureau?
5. How does the form review process work?
6. What statutes are available regarding forms in North Carolina?
7. Why was the Workers Compensation Forms Subcommittee established?
8. Who serves on the Workers Compensation Forms Subcommittee?

If you have additional questions on the process or form filings for Workers Compensation, please submit your questions to WCFilings@ncrb.org.

QUESTION:

Does the Rate Bureau or the insurer file forms with the Department of Insurance?

ANSWER:

The Rate Bureau is responsible under North Carolina law for filing a uniform policy form to be used by insurers for voluntary and residual market business. Consequently, the Rate Bureau files with the Department of Insurance any form that affects the standard Workers Compensation Policy, including changes, amendments, broadening of or reduction of coverage. This includes all endorsements as well as policy language changes.

Because Large Deductible Programs are carrier-specific programs, the Rate Bureau and the Department have agreed that these programs are to be filed by insurers directly with the Department.

In addition to Large Deductible Programs, there are a number of items that insurers are required to file directly with the Department of Insurance. These items are typically viewed as carrier-specific items and not part of the uniform policy form. These items include (but are not limited to):

Applications

Billing Forms/Notices

Binders

Cancellation Notices

Certificates of Insurance

Declarations Pages/Information Pages

Dividend Forms

Forms with Logo changes only

Large Deductible Programs (including all forms, rates, and rules associated with such programs – note that the Department of Insurance requires that the “COVER SHEET” in Exhibit 2 must be attached to this type of filing and that the rates and forms must be submitted in separate filings.)

Non-Renewal Notices

Notice of Reinstatement

Policy Jackets (that do not contain coverage)

Signature Pages

Stuffers/Fliers

Terrorism Disclosure Notices

QUESTION:

What needs to be submitted by a member company to the North Carolina Rate Bureau when the member company desires a new form to be reviewed and/or filed?

ANSWER:

Because all items filed with the Rate Bureau go to the Workers Compensation Forms Subcommittee for review, companies should submit a) one copy of the proposed form in paper or electronic format, and b) a written explanation of the need for the form and how the form differs from currently approved North Carolina forms (if applicable). If submitted electronically, these materials should be submitted to **WCFilings@ncrb.org**.

If the Committee, after applying the criteria for the review of forms, determines that a form of the type under review should be filed on behalf of all member companies, changes/alterations may be made to make the form applicable to all member companies. These changes may include changes to the form number (to be consistent with North Carolina specific form numbering format), changes to the language (so that any member carrier may use), and/or other changes as deemed necessary by the Committee.

Items that are filed by insurers directly with the North Carolina Department of Insurance are subject to the Department's filing requirements. The requirements associated with a filing submitted to the North Carolina Department Insurance can be found on its website at:

http://www.ncdoi.com/pc/pc_home.asp

QUESTION:

What Workers Compensation endorsement forms are currently approved for use in North Carolina?

ANSWER:

A listing of approved endorsement forms is maintained on the NCRB website. For NCCI subscribers, a listing can also be obtained through the NCCI website.

The form listing is at:

<http://www.ncrb.org/ncrb/WorkersCompensation/Carrier/tabid/92/Default.aspx>

QUESTION:

Can I use SERFF to make a form filing with the North Carolina Rate Bureau?

ANSWER:

The North Carolina Rate Bureau cannot accept filings made through SERFF. The SERFF tool is only available for filings made to the North Carolina Department of Insurance.

QUESTION:

How does the form review process work?

ANSWER:

Once a form filing is received by the Rate Bureau, Rate Bureau Staff first reviews the form to determine

- 1) if a similar item has already been approved by the Department of Insurance (if so, staff will communicate with the submitting company to determine if the company wishes to proceed),
- 2) whether the appropriate explanations are included, and
- 3) whether the company should be advised to file the item directly with the Department of Insurance.

Once a form passes the initial review, Rate Bureau staff acknowledges receipt of the form and adds the form to the agenda for the next available Workers Compensation Forms Subcommittee meeting. At that meeting, the Workers Compensation Forms Subcommittee reviews the proposed form in light of the guidelines established for such review (see Exhibit 1). Upon completion of the Subcommittee's review, Rate Bureau Staff takes whatever action is directed by the Subcommittee (which may include editing to discuss further at the next Subcommittee meeting, sending the form to the Workers Compensation Committee for action on the Subcommittee's recommendation that the form be filed with the DOI, and/or responding to the submitting carrier that the form will not be filed.) As new forms are approved by the DOI, the Rate Bureau will notify all member companies via circular letter and update the form listing on our website.

QUESTION:

What statutes pertain to filings and/or forms in North Carolina?

ANSWER:

Some of the statutes applicable include:

- N.C.G.S. 58-1-10
- N.C.G.S. 58-2-40 to 58-2-90
- N.C.G.S. 58-3-150 to 58-3-151
- N.C.G.S. 58-36
- N.C.G.S. 58-41 (Excess WC)
- N.C.G.S. 58-47 (Self Insurance)
- N.C.G.S. 97

North Carolina General Statutes can be found online via the following website:

<http://www.ncleg.net/gascripts/Statutes/Statutes.asp>

The administrative code also has specific language related to filings in the following locations:

- 11 N.C.A.C. 10.12xx
- 11 N.C.A.C. 10.11xx

The above references may not be exhaustive, but represent the statutes and administrative code most frequently referenced.

QUESTION:

Why was the Workers Compensation Forms Subcommittee established?

ANSWER:

When the Rate Bureau files a form with the DOI, that form is filed *on behalf of all member companies* pursuant to N.C.G.S. 58-36-55 and 58-36-100(m). Thus, every form approved by the DOI (that has been filed by the Rate Bureau) can be used by all member carriers writing Workers Compensation insurance in North Carolina. The Workers Compensation Forms Subcommittee was established to review all Workers Compensation forms submitted to the Rate Bureau and ensure that the forms that are filed by the Rate Bureau with the DOI satisfy the guidelines that have been established for such forms (see Exhibit 1 for the guidelines). This committee consists of representatives from member companies who are currently writing Workers Compensation insurance in North Carolina. These experts review the forms for criteria such as whether there is a need for a new North Carolina specific form, whether a proposed form has broad industry appeal, and other standards. A copy of the guidelines used to review forms, as established by the Rate Bureau's Workers Compensation Committee, is attached as Exhibit 1.

QUESTION:

Who serves on the Workers Compensation Forms Subcommittee?

ANSWER:

This committee is made up of representatives from member companies as appointed by the Workers Compensation Committee. In addition, Rate Bureau staff and legal counsel provide administrative and legal assistance.

EXHIBIT 1

Guidelines to be considered by the WORKERS COMPENSATION FORMS SUBCOMITTEE in deciding whether to recommend adoption and filing of Company proposals:

- (1) Does the proposal come under the jurisdiction of the North Carolina Rate Bureau?**
- (2) Does the proposal have broad industry appeal?**
- (3) Does the proposal have broad public appeal?**
- (4) Are there any legal problems in connection with the proposal?**
- (5) Would the proposal present unnecessary administrative burdens for the industry?**
- (6) Would the proposal have a potential adverse effect on the maintenance of an actuarially sound data base for existing or proposed Rate Bureau programs?**
- (7) Would the Rate Bureau be able to price the proposal properly?**
- (8) Is a similar product readily available under approved or proposed filings?**
- (9) Should industry input be sought when developing a new proposal or should the first proposal submitted be considered for adoption?**
- (10) Are there existing or potential alternative solutions that would better meet the objectives of the proposal?**
- (11) Would the proposal present any adverse effect on the administration of the workers compensation insurance residual markets?**
- (12) Would the proposal broaden insurance availability?**
- (13) Are there any other relevant considerations?**

LARGE DEDUCTIBLE PROGRAM FILING - - - COVER SHEET

Completion of this form is MANDATORY for all Large Deductible Programs.

With all Large Deductible Programs, the following must be included in the filing:

1. A copy of this completed cover sheet.
2. A summary and explanation of the entire Large Deductible Program.
3. The company-specific large deductible endorsement proposed
4. All rates and rules associated with the Large Deductible Program must also be filed using this cover sheet, but rates and rules filings must be made separately from forms filings. If already filed, provide reference filing number below.

1	Will the Basic Manual Rules apply, without change, to policies written under the Large Deductible Program?	YES / NO
2	Will the Experience Rating Plan apply, without change, to policies written under the Large Deductible Program?	YES / NO
3	Will the premium and losses associated with the Large Deductible Program continue to be reported under the North Carolina Statistical Plan?	YES / NO
4	Will the insurer (or TPA, on its behalf) handle defense and settlement of all claims associated with the Large Deductible Program as if no deductible applies?	YES / NO
5	Is the proposed form an endorsement to the standard WC policy? (Please answer NO if this form is intended to replace the standard policy - WC 00 00 00 A).	YES / NO
6	Are there applicable rates and/or rules associated with this program filing? Please note that Rates and Forms must be submitted in separate filings. For the Rate and Rule filing, please provide the reference filing: Reference Number: 	YES / NO
7	Will the loss costs filed by the North Carolina Rate Bureau be used in pricing the policy? If not, please provide the reference filing number for the loss costs to be used. Reference Number: 	YES / NO
8	What is the minimum deductible size that will apply under this program?	\$
9	What is the minimum size of risk (in terms of Standard Premium) that will be eligible for this program?	\$

If the answers to Questions 1-5 are "YES" and the minimum deductible size in Question 8 is greater than or equal to \$25,000 per accident, this program, including this Cover Sheet, should be filed directly with the North Carolina Department of Insurance with a copy to the North Carolina Rate Bureau.

By my signature below, I affirm on behalf of (Carrier) that this filing is for a Large Deductible Program only, and is not being done in conjunction with or concurrent with any other filing for Workers Compensation and Employers Liability Insurance. I also verify that all items contained in the filing attached apply solely to the Large Deductible Program and do not impact policies other than those for which we intend to apply this Large Deductible Program, and that this filing has no impact on uniform policy form filed by the North Carolina Rate Bureau.

Company Name: _____

Filer Name: _____

Filer Signature: _____

Date _____