



**The State of New Hampshire
Insurance Department
21 South Fruit Street, Suite 14
Concord, NH 03301**

**Roger A. Sevigny
Commissioner**

**Alexander K. Feldvebel
Deputy Commissioner**

BULLETIN

Docket No. 05-045-AB

To: All Workers' Compensation Insurers

Date: November 1, 2005

From: Roger Sevigny – Insurance Commissioner

A handwritten signature in black ink, appearing to read "R. Sevigny".

Re: Workers' Compensation Advisory Loss Costs and Rating Values
NCCI Filing Effective January 1, 2006

The State of New Hampshire Insurance Department has approved, with a revision, the National Council on Compensation Insurance's Advisory Loss Cost and Rating Values filing dated September 6, 2005 to be effective January 1, 2006.

The approved voluntary loss cost change is a decrease on average of 3.9%. The approved change for assigned risk rates is on average a decrease of 4.6%.

In line with our July 1, 1995 directive, all companies writing Workers' Compensation coverage in the State of New Hampshire are required to adopt and use NCCI's WC Advisory Loss Cost and Rating Values effective January 1, 2006. There are two elements of the NCCI filing that, this year, will possibly require additional filing activity on the part of insurers:

1. The residual market loss cost multiplier for 2006 will decrease from 1.621 to 1.610.

NH statutes RSA 412:28 and 412:29 were revised earlier this year and became effective September 12, 2005. Insurers can now file, and once approved, use broad based loss cost multipliers greater than the loss cost multiplier approved for the residual market. Approval is contingent on the submission of appropriate justification along with a completed Form RFF-1, Prospective Loss Costs Reference Filing Adoption Form.

Insurers, whose currently approved loss cost multiplier is above 1.610, will have to submit a filing and receive approval from the Department to continue using these multipliers. Similarly, any insurer wishing to modify its current multiplier to a value greater than 1.610 may do so after submitting a filing and receiving approval.

The Department reminds insurers that the provisions of RSA 412:30 must be followed. Insureds receiving a premium quote that is higher than that which would be derived from the rates and rating plan approved for the assigned risk plan, shall be made aware that coverage may be obtained at a lower premium through the assigned risk plan.

2. The maximum minimum premium has been changed from \$750 to \$850 under the assigned risk plan.

The formula for determining minimum premiums has been revised along with a change in the maximum minimum premium from \$750 to \$850. Before changing to a higher maximum minimum premium, insurers will have to submit a filing to the Department reflecting desired changes to their Miscellaneous Values Page.

Any filings **received** during January 2006 pertaining to either of these items may be retroactively applied to reflect an effective date of January 1, 2006.

Questions on the above may be addressed to Lorette Gendron at (603) 271-2261 or lorette.gendron@ins.nh.gov.