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New Hampshire Workers Compensation Rates May Decrease for 5th Year in a Row

New Hampshire employers could pay less for their workers compensation insurance next year because of a filing that lowers the rates and loss-cost factors insurance companies use to develop prices.

The National Council on Compensation Insurance (NCCI) filed a rate proposal in August with the New Hampshire Insurance Department to reduce voluntary loss costs by -9.0%. The loss cost is the portion of an employer's insurance premium that pays claims costs for work-related injuries. The loss cost is ultimately used by insurance companies to set rates and premiums in the voluntary market. All insurers writing voluntary workers compensation in New Hampshire are required to use the new loss costs.

The NCCI has filed an even bigger decrease of -9.4% for the assigned risk, or "residual," market. The residual market ensures access to workers compensation for companies that are not able to buy coverage on the open market. About 10% of workers compensation insurance is obtained this way.

"A decrease in workers compensation rates means a decrease in costs to New Hampshire businesses," Insurance Department Commissioner Roger Sevigny said. "These considerable savings could be used to bring more workers, higher salaries, and expanded operations to New Hampshire."

The Insurance Department will host a public rate hearing at 10 a.m. on October 4 to give NCCI an opportunity to discuss the filing and to give members of the public and other stakeholders the ability to provide testimony or comments. After the hearing and a short public comment period, Commissioner Sevigny will issue a decision on the filing; the new rates would apply to policies starting on Jan. 1, 2017. For more information on the hearing or for directions, please email Sally.MacFadden@ins.nh.gov.

The NCCI is a licensed rating and statistical organization that gathers data, analyzes industry trends, and prepares workers compensation rate filings for New Hampshire and many other states. For more information on its filing in New Hampshire, see the Department's website:

http://www.nh.gov/insurance/pc/workerscomp/documents/NH_filing_release_wc_010117.pdf

The New Hampshire Insurance Department's mission is to promote and protect the public good by ensuring the existence of a safe and competitive insurance marketplace through the development and enforcement of the insurance laws of the State of New Hampshire. For more information, visit <http://www.nh.gov/insurance>.