



September 16, 2009

CIRCULAR LETTER TO ALL MEMBER COMPANIESRe: Workers Compensation Insurance
Large Deductible Program Filings

Following lengthy discussions, the North Carolina Rate Bureau and the North Carolina Department of Insurance have reached an agreement regarding filing procedures for Large Deductible Programs. These programs are designed as carrier-specific programs that enhance the ability of carriers to provide an alternative option to large customers and the Rate Bureau and the Department have agreed that these programs are not part of the uniform policy form that is filed by the Bureau on behalf of and for use by all member companies. Consequently, Large Deductible Programs are to be filed by carriers directly with the Department of Insurance, with a copy to the Rate Bureau.

Attached to this circular is a "COVER SHEET" that the Department of Insurance has determined should be attached to all Large Deductible Program filings made with the North Carolina Department of Insurance. This "COVER SHEET" is intended to ensure that the filing pertains solely to a large deductible program and that *no changes* are made to the uniform policy form that must be filed by the Rate Bureau. The Rate Bureau remains responsible for all changes that impact the Basic Manual, the Experience Rating Plan Manual, and/or the Retrospective Rating Plan Manual. Additionally, the Rate Bureau remains responsible for filing the Basic Policy and all other forms and endorsements. ***Rates and forms impacting Large Deductible Program Filings should be submitted to the Department of Insurance using the attached "COVER SHEET," and must be submitted in separate filings.***

The Department of Insurance has agreed to this new process for Large Deductible Program Filings effective immediately. All Large Deductible Programs submitted to the Rate Bureau for filing will be returned to the carrier for submission directly to the Department of Insurance.

In addition, the Rate Bureau has posted to its website a document titled [Frequently Asked Questions: Workers Compensation Filings](#). This document provides detailed information on where carriers should submit filings, how they should be submitted, and how they will be reviewed by the Rate Bureau.

Contact the Information Center at 919-582-1056 or via email at winfo@ncrb.org if you require additional information.

Sincerely,
Sue Taylor
Director of Insurance Operations

ST:dg
C-09-24

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 _____