

NORTH CAROLINA RATE BUREAU

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September 1, 1995

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

North Carolina Workers Compensation Insurance Plan
Take-Out Credit Program

The Bureau has adopted and the North Carolina Department of Insurance has approved a proposal to implement a Take-Out Credit Program in connection with the North Carolina Workers Compensation Insurance Plan (NC WCIP).

The Program is intended to be an incentive to reduce the number of residual market employers by allowing insurers to receive, for up to three years, a dollar-for-dollar credit against their NC WCIP participation base for each residual market employer written in the voluntary market. A copy of the Take-Out Credit Program and forms for reporting summary and policy detail data for the derivation of the take-out credits are attached.

The Take-Out Credit Program, which has been approved to become effective January 1, 1996, will be printed as a supplement to the North Carolina Workers Compensation Insurance Plan in the *Basic Manual for Workers Compensation and Employers Liability Insurance*.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

Enclosure (Attachments Not Included)

C-95-18