

**NORTH CAROLINA RATE BUREAU**

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December 23, 1998

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance  
Item E-1339 - Experience Rating Adjustment

The Bureau has adopted and the North Carolina Commissioner of Insurance has approved a proposal to modify the Experience Rating Plan formula to (i) utilize a 30% weighting factor for medical only claims, (ii) increase the credibility of excess losses by modifying the equations for credibility and (iii) index the split point between primary and excess losses for inflation.

The attached Filing Memorandum describes the changes which have been approved to be applicable to experience rating calculations that become effective on or after April 1, 1999.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

Enclosure

C-98-9