

Texas Department of Insurance
Notice of Workers' Compensation Filing
National Council on Compensation Insurance (NCCI)

Item 02-TX-2021

Rules and an Endorsement Related to the Catastrophe (Other Than Certified Acts of Terrorism) Provision in Texas

Filed on August 25, 2021

SERFF Tracking Nos. NCCI-132958079 (rate/rule) and NCCI-132958411 (form)

Description:

- This filing:
 - establishes the Catastrophe (other than Certified Acts of Terrorism) Provision in Texas, which includes a Basic Manual rule, endorsement, and statistical code, consistent with other NCCI states;
 - proposes to implement NCCI's actuarial catastrophe methodology in Texas. This methodology would treat a single event or peril that results in aggregate workers' compensation losses in excess of \$50 million per occurrence as a catastrophe and thus exclude reported data from such an event from ratemaking; and
 - establishes an entry in the Texas Miscellaneous Values to state that if a carrier plans to apply the Catastrophe (other than Certified Acts of Terrorism) premium, it must file its Catastrophe (other than Certified Acts of Terrorism) rate with the Texas Department of Insurance.

- The filing also revises language related to the premium calculation for Terrorism and per capita classifications.

- NCCI proposes that the changes be effective for new and renewal workers' compensation policies issued on or after 12:01 a.m. on July 1, 2022.

- Per Commissioner's Order No. 3142, dated March 21, 2014, the Commissioner may issue an order approving the filing, approving the filing with changes, or rejecting the filing.

Affected NCCI Manuals:

- *Basic Manual for Workers Compensation and Employers Liability Insurance*
- *Statistical Plan for Workers Compensation and Employers Liability Insurance*
- *Forms Manual of Workers Compensation and Employers Liability Insurance*

- *Retrospective Rating Plan Manual for Workers Compensation and Employers Liability Insurance*

Review and Comment:

- You may review a copy of the filing in the Office of the Chief Clerk of the Texas Department of Insurance, 333 Guadalupe Street, Austin, TX 78701, or at www.tdi.texas.gov/rules/2021/nccimanual.html. To review the materials in person, please email ChiefClerk@tdi.texas.gov to arrange a time.
- To comment on the filing or to request a hearing, submit your comments or request to ChiefClerk@tdi.texas.gov or to the Office of the Chief Clerk, MC-GC CCO, Texas Department of Insurance, P.O. Box 12030, Austin, TX 78711-2030 by 5 p.m., Central time, on October 25, 2021. Submit comments separately from any hearing request.