

NORTH CAROLINA RATE BUREAU

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March 31, 1995

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

**Item 01-NC-94 - Loss Sensitive Rating Plan
Application for Workers Compensation Insurance**

The Loss Sensitive Rating Plan (LSRP), a mandatory assigned risk retrospective rating program for employers having residual market premium equal to or exceeding \$200,000, was approved in North Carolina to apply to eligible accounts with effective dates on or after April 1, 1995. A Circular Letter to All Member Companies (C-94-14) dated October 12, 1994 announced approval and furnished details of the LSRP.

The filing contained a provision that the following language would be included on the application form:

By signing below I acknowledge that the Loss Sensitive Rating Plan has been explained to me or that an explanatory notice or brochure has been provided to me and I agree that I shall be bound by the terms of such plan if my estimated annual premium or preliminary physical audit premium meets or exceeds the premium eligibility requirement.

Attached is the revised North Carolina Application for Workers Compensation Insurance (WC-AR-19H) which includes the LSRP language. The revised Application will become effective April 1, 1995.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

Enclosure (Attachments not included)

