

October 25, 2018

CIRCULAR LETTER TO ALL ASSIGNED RISK CARRIERS

Re: Workers Compensation Insurance

NCCI Item RM-W-8045 – Revisions to the Assigned Carrier
Performance Standards (ACPS)

The North Carolina Rate Bureau has recommended and the North Carolina Rate Bureau Workers Compensation Committee has approved to adopt NCCI Item RM-W-8045 with regard to revision to the Assigned Carrier Performance Standards (ACPS). The approved changes will be applicable to all new and renewal assigned risk policies effective on or after January 1, 2019.

The ACPS establishes the minimal level of performance that Servicing and Direct carriers agree to adhere to when writing assigned risk coverage. A carrier's failure to adhere to these standards could result in their status as a Servicing or Direct assignment carrier being terminated by the Plan Administrator.

NCCI Item RM-W-8045 revised the ACPS to include:

- Clarification and grammatical updates for ease of reading
- Rule reference updates as needed
- Addition and/or deletion of classifications in the loss prevention and audit tables, as appropriate

A complete copy of NCCI's Item Filing R-8045 is included for your review.

If you have any questions, contact the NCRB Information Center at 919-582-1056 or via email at support@ncrb.org.

Sincerely,

Joanna Biliouris

Chief Operating Officer

JB:ko
Attachments
C-18-26

FILING MEMORANDUM

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

PURPOSE

This item revises NCCI's *Assigned Carrier Performance Standards (ACPS or Performance Standards)*.

BACKGROUND

NCCI has an ongoing process dedicated to the systematic research, analysis, and maintenance of NCCI's manuals. As part of this process, the experience rating modification, premium ranges, and classification codes listed for *Performance Standard 4—Loss Prevention* and *Performance Standard 6—Audits* were reviewed to determine if the criteria for loss prevention surveys and physical audits is appropriate. These standards were updated based on recent data, with the intent of identifying classifications for high risk industries to create more effective loss prevention surveys and more efficient audits.

In addition, NCCI is proposing certain changes to *ACPS*, with the revisions summarized as follows:

- Clarification of various *Performance Standards* identified as a result of NCCI's research
- Format changes for ease of reading
- Grammatical updates

This item also includes state-specific updates for clarification, ease of reading, grammatical updates, or to correlate with the national changes being proposed.

PROPOSAL

This item proposes to:

1. Clarify various *Performance Standards*
2. Update various state exceptions for clarification, ease of reading, grammatical updates, or based on the proposed national *Performance Standards* changes
3. Update the classifications included in the loss prevention and audit tables
4. Remove Code 5069, which was eliminated by Item B-1435—Revisions to Basic Manual Classifications and Appendix E—Classifications by Hazard Group, Including Trucking and Towing, from the Loss Prevention Survey Tables.

IMPACT

There will be no statewide premium impact as a result of the changes proposed in this item.

EXHIBIT COMMENTS AND IMPLEMENTATION SUMMARY

This item is to become effective for new and renewal assigned risk policies only, effective on and after 12:01 a.m. on January 1, 2019.

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FILING MEMORANDUM

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

Exhibit	Exhibit Comments	Implementation Summary
1	Details the revisions to NCCI's ACPS PS 1-A-1.	To become effective for new and renewal assigned risk policies only, effective on and after 12:01 a.m. on January 1, 2019.
2	Details the revisions to NCCI's ACPS PS 1-A-2-b and PS 1-A-2-d.	
3	Details the revisions to NCCI's ACPS PS 1-A-4: <ul style="list-style-type: none"> • The revisions to PS 1-A-4-c do not apply in NC, NJ • The revisions to PS 1-A-4-k do not apply in AR, AZ, MS, NC • The revisions to PS 1-A-4-l do not apply in AR, KS, NC • The revisions to PS 1-A-4-m do not apply in AZ, IN, MS • The revisions to PS 1-A-4-o do not apply in MS, NC (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
4	Details the establishment of NCCI's ACPS PS 1-A-5.	
5	Details the revisions to NCCI's ACPS PS 1-B: <ul style="list-style-type: none"> • The revisions to PS 1-B-2 do not apply in IN, MS (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
6	Details the revisions to NCCI's ACPS PS 1-C; the revisions to 1-C-4 do not apply in AZ; the revisions to 1-C-6 do not apply in AK, AZ, IN. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
7	Details the revisions to NCCI's ACPS Performance Standard 2-A-1.	
8	Details the revisions to NCCI's ACPS PS 2-B-2.	

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Exhibit	Exhibit Comments	Implementation Summary
9	Details the revisions to NCCI's ACPS PS 2-C; the revisions to 2-C do not apply in AZ. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
10	Details the revisions to NCCI's ACPS PS 3-A-3-a; the revisions to PS 3-A-3-a(1) do not apply in AK, GA, MS, NC, NJ, OR, SD.	
11	Details the revisions to NCCI's ACPS PS 3-B: <ul style="list-style-type: none"> • The revisions to PS 3-B do not apply in NJ • The revisions to PS 3-B-1 do not apply in NC, OR • The revisions to PS 3-B-2-b do not apply in AK (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
12	Details the revisions to NCCI's ACPS PS 3-C-2: <ul style="list-style-type: none"> • The revisions to PS 3-C-2-a(1) and PS 3-C-2-a(3) do not apply in AK, OR • The revisions to PS 3-C-2-b(1) do not apply in AK, OR 	
13	Details the revisions to NCCI's ACPS PS 3-D; the revisions to PS 3-D-2-a do not apply in IN. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
14	Details the revisions to NCCI's ACPS PS 3-E.	
15	Details the revisions to NCCI's ACPS PS 3-F:	
16	Details the revisions to NCCI's ACPS PS 4-A: <ul style="list-style-type: none"> • The revisions to PS 4-A-2-c do not apply in OR • The revisions to PS 4-A-6-c(1)(b) do not apply in NJ 	

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	(All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
17	Details the revisions to NCCI's ACPS PS 4-B-1; the revisions to PS 4-B-1 do not apply in AK, OR. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
18	Details the revisions to NCCI's ACPS PS 4-B-2: <ul style="list-style-type: none"> • The revisions to PS 4-B-2-b(1), PS 4-B-2-b(3), and PS 4-B-2-b(4) do not apply in AK • The revisions to PS 4-B-2-b(1) do not apply in KS (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
19	Details the revisions to the Loss Prevention Survey Table in NCCI's ACPS PS 4-D; the revisions to 4-D do not apply in AK, DE, VT. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
20	Details the revisions to NCCI's ACPS PS 5-B.	
21	Details the revisions to NCCI's ACPS PS 5-D; the revisions to PS 5-D-3 and PS 5-D-6-a do not apply in OR.	
22	Details the revisions to NCCI's ACPS PS 5-E-1; the revisions to PS 5-E-1 do not apply in OR.	
23	Details the revisions to NCCI's ACPS PS 5-E-2-b.	
24	Details the revisions to NCCI's ACPS PS 5-F: <ul style="list-style-type: none"> • The revisions to PS 5-F-1-a(6) do not apply in OR 	

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	<ul style="list-style-type: none"> The revisions to PS 5-F-5-d(1) and PS 5-F-5-d(2) do not apply in OR (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
25	Details the revisions to NCCI's ACPS PS 5-H-3-e.	
26	Details the revisions to NCCI's ACPS PS 6-A: <ul style="list-style-type: none"> The revisions to PS 6-A-2-a(1) do not apply in AK The revisions to PS 6-A-5 do not apply in AK (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
27	Details the revisions to NCCI's ACPS PS 6-B-1.	
28	Details the revisions to NCCI's ACPS PS 6-C-1-a; the revisions to PS 6-C-1-a do not apply in AK, DE. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
29	Details the revisions to NCCI's ACPS PS 6-C-2-a; the revisions to PS 6-C-2-a do not apply in AK, DE. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
30	Details the revisions to NCCI's ACPS PS 6-C-2-c; the revisions to PS 6-C-2-c do not apply in AK, DE, OR. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
31	Details the establishment of NCCI's ACPS PS 6-C-2-d.	

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32	Details the revisions to NCCI's ACPS PS 7-A; the revisions to PS 7-A-5 do not apply in AZ. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
33	Details the revisions to NCCI's ACPS PS 8-A-3; the revisions to PS 8-A-3 do not apply in AK, AZ, DC, ID, MS, OR, TN, VA, WV. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
34	Details the revisions to NCCI's ACPS PS 8-B-1; the revisions to PS 8-B-1 do not apply in AK, AZ, DC, ID, IN, MS, OR, TN, VA, WV. (All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits.)	
35	Details the revisions to NCCI's ACPS Appendix A.	
36	Details the revisions to NCCI's ACPS Appendix B.	
37	Details the revisions to NCCI's ACPS Appendix C.	
38	Details the establishment of an Alabama exception to PS 4-D in NCCI's ACPS .	
38	Details the revisions to the Alaska exception to PS 1-C-6 in NCCI's ACPS .	
39	Details the revisions to the Alaska exception to PS 3-A-3-a in NCCI's ACPS .	
40	Details the revisions to the Alaska exception to PS 3-C-2-b(1) in NCCI's ACPS .	
41	Details the revisions to the Alaska exception to PS 4-B-2 in NCCI's ACPS .	

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42	Details the revisions to the Alaska exception to PS 4-D in NCCI's ACPS .	
43	Details the revisions to the Alaska exception to PS 6-B-4 in NCCI's ACPS .	
44	Details the revisions to the Alaska exception to PS 6-C-1-a in NCCI's ACPS .	
45	Details the revisions to the Alaska exception to PS 6-C-2-c in NCCI's ACPS .	
46	Details the establishment of an Alaska exception to PS 7-B-1-b in NCCI's ACPS .	
47	Details the establishment of an Alaska exception to PS 8 in NCCI's ACPS .	
38	Details the revisions to the Arizona exceptions to PS 1-A-4 in NCCI's ACPS .	
39	Details the revisions to the Arizona exceptions to PS 1-C in NCCI's ACPS .	
40	Details the revisions to the Arizona exception to PS 4-D in NCCI's ACPS .	
41	Details the establishment of an Arizona exception to PS 6-C-1-a in NCCI's ACPS .	
42	Details the establishment of an Arizona exception to PS 6-C-2-a in NCCI's ACPS .	
43	Details the establishment of an Arizona exception to PS 6-C-2-c in NCCI's ACPS .	
44	Details the establishment of an Arizona exception to PS 8 in NCCI's ACPS .	
38	Details the revisions to the Arkansas exception to PS 1-A-4 in NCCI's ACPS .	
39	Details the establishment of an Arkansas exception to PS 4-D in NCCI's ACPS .	
40	Details the establishment of an Arkansas exception to PS 6-C-1-a in NCCI's ACPS .	

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41	Details the establishment of an Arkansas exception to PS 6-C-2-a in NCCI's ACPS .	
38	Details the revisions to the Connecticut exception to PS 4-D in NCCI's ACPS .	
39	Details the revisions to the Connecticut exception to PS 6-C-1-a in NCCI's ACPS .	
40	Details the revisions to the Connecticut exception to PS 6-C-2-a in NCCI's ACPS .	
38	Details the elimination of the Delaware exception to PS 1-A-4-i in NCCI's ACPS .	
39	Details the establishment of a Delaware exception to PS 1-A-5 in NCCI's ACPS .	
38	Details the establishment of a District of Columbia exception to PS 8 in NCCI's ACPS .	
38	Details the revisions to the Georgia exception to PS 3-A-3-a in NCCI's ACPS .	
39	Details the establishment of a Georgia exception to PS 4-D in NCCI's ACPS .	
40	Details the revisions to the Georgia exception to PS 6-C-1-a in NCCI's ACPS .	
41	Details the establishment of a Georgia exception to PS 6-C-2-a in NCCI's ACPS .	
42	Details the establishment of a Georgia exception to PS 6-C-2-c in NCCI's ACPS .	
38	Details the establishment of an Idaho exception to PS 4-D in NCCI's ACPS .	
39	Details the establishment of an Idaho exception to PS 6-C-1-a in NCCI's ACPS .	

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40	Details the establishment of an Idaho exception to PS 6-C-2-a in NCCI's ACPS .	
41	Details the establishment of an Idaho exception to PS 6-C-2-c in NCCI's ACPS .	
42	Details the establishment of an Idaho exception to PS 8 in NCCI's ACPS .	
38	Details the establishment of an Illinois exception to PS 4-D in NCCI's ACPS .	
38	Details the revisions to the Indiana exception to PS 1-A-4 in NCCI's ACPS .	
39	Details the establishment of an Indiana exception to PS 1-A-5 in NCCI's ACPS .	
40	Details the revisions to the Indiana exception to PS 1-C-6 in NCCI's ACPS .	
41	Details the revisions to the Indiana exception to PS 2-A in NCCI's ACPS .	
42	Details the elimination of the Indiana exception to PS 3-A-3-a(1) in NCCI's ACPS .	
43	Details the revisions to the Indiana exception to PS 3-C-2-a in NCCI's ACPS .	
44	Details the establishment of an Indiana exception to PS 4-D in NCCI's ACPS .	
45	Details the elimination of the Indiana exception to PS 6-C-1-a in NCCI's ACPS .	
46	Details the elimination of the Indiana exception to PS 6-C-2-a in NCCI's ACPS .	
47	Details the elimination of the Indiana exception to PS 6-C-2-c in NCCI's ACPS .	
38	Details the revisions to the Kansas exception to PS 1-A-4 in NCCI's ACPS .	

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39	Details the elimination of the Kansas exception to PS 2-A-1 in NCCI's ACPS .	
40	Details the revisions to the Kansas exception to PS 4-B-2-b in NCCI's ACPS .	
38	Details the revisions to the Mississippi exception to PS 1-A-4 in NCCI's ACPS .	
39	Details the establishment of a Mississippi exception to PS 1-A-5 in NCCI's ACPS .	
40	Details the revisions to the Mississippi exception to PS 3-A-3-a in NCCI's ACPS .	
41	Details the establishment of a Mississippi exception to PS 4-D in NCCI's ACPS .	
42	Details the establishment of a Mississippi exception to PS 6-C-1-a in NCCI's ACPS .	
43	Details the establishment of a Mississippi exception to PS 6-C-2-a in NCCI's ACPS .	
44	Details the establishment of a Mississippi exception to PS 6-C-2-c in NCCI's ACPS .	
38	Details the establishment of a Nevada exception to PS 4-D in NCCI's ACPS .	
39	Details the revisions to the Nevada exception to PS 6-C-1-a in NCCI's ACPS .	
40	Details the revisions to the Nevada exception to PS 6-C-2-a in NCCI's ACPS .	
38	Details the revisions to the New Hampshire exception to PS 2-A-1 in NCCI's ACPS .	
39	Details the revisions to the New Hampshire exception to PS 4-D in NCCI's ACPS .	
40	Details the elimination of the New Hampshire exception to PS 5-F-1-c in NCCI's ACPS .	

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42	Details the revisions to the New Hampshire exception to PS 6-C-1-a in NCCI's ACPS .	
43	Details the revisions to the New Hampshire exception to PS 6-C-2-a in NCCI's ACPS .	
38	Details the revisions to the New Jersey exception to PS 1-A-4 in NCCI's ACPS .	
39	Details the establishment of a New Jersey exception to PS 1-A-5 in NCCI's ACPS .	
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47	Details the establishment of a New Jersey exception to PS 6-C-2-b in NCCI's ACPS .	
48	Details the revisions to the New Jersey exception to PS 6-C-2-c in NCCI's ACPS .	
38	Details the revisions to the North Carolina exception to PS 1-A-4 in NCCI's ACPS .	
39	Details the elimination of the North Carolina exception to PS 1-B-1 in NCCI's ACPS .	

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41	Details the revisions to the North Carolina exception to PS 3-F in NCCI's ACPS .	
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45	Details the revisions to the Oregon exception to PS 5-C in NCCI's ACPS .	
46	Details the revisions to the Oregon exception to PS 5-D in NCCI's ACPS .	
47	Details the revisions to the Oregon exception to PS 5-E-1 in NCCI's ACPS .	

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ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

Exhibit	Exhibit Comments	Implementation Summary
48	Details the revisions to the Oregon exception to PS 5-E-2 in NCCI's ACPS .	
49	Details the revisions to the Oregon exception to PS 5-F-5-d in NCCI's ACPS .	
50	Details the establishment of an Oregon exception to PS 5-F-6-c in NCCI's ACPS .	
51	Details the revisions to the Oregon exception to PS 6-C-1-a in NCCI's ACPS .	
52	Details the revisions to the Oregon exception to PS 6-C-2-a in NCCI's ACPS .	
53	Details the revisions to the Oregon exception to PS 6-C-2-c in NCCI's ACPS .	
38	Details the establishment of a South Carolina exception to PS 4-D in NCCI's ACPS .	
38	Details the revisions to the South Dakota exception to PS 3-A-3-a in NCCI's ACPS .	
39	Details the establishment of a South Dakota exception to PS 4-D in NCCI's ACPS .	
38	Details the elimination of the Tennessee exception to PS 2-A-1 in NCCI's ACPS .	
39	Details the revisions to the Tennessee exception to PS 4-D in NCCI's ACPS .	
40	Details the revisions to the Tennessee exception to PS 5-F-1-c in NCCI's ACPS .	
41	Details the revisions to the Tennessee exception to PS 6-C-1-a in NCCI's ACPS .	
42	Details the revisions to the Tennessee exception to PS 6-C-2-a in NCCI's ACPS .	
43	Details the revisions to the Tennessee exception to PS 6-C-2-c in NCCI's ACPS .	

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FILING MEMORANDUM

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

Exhibit	Exhibit Comments	Implementation Summary
38	Details the revisions to the Vermont exception to PS 4-D in NCCI's ACPS .	
38	Details the revisions to the Virginia exception to PS 4-D in NCCI's ACPS .	
39	Details the revisions to the Virginia exception to PS 6-C-1-a in NCCI's ACPS .	
40	Details the revisions to the Virginia exception to PS 6-C-2-a in NCCI's ACPS .	
41	Details the revisions to the Virginia exception to PS 6-C-2-c in NCCI's ACPS .	
42	Details the establishment of a Virginia exception to PS 8 in NCCI's ACPS .	
38	Details the establishment of a West Virginia exception to PS 8 in NCCI's ACPS .	

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EXHIBIT 1

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

1. Purpose

- a. The purpose of these NCCI's **Assigned Carrier Performance Standards** (**ACPS** or **Performance Standards** or PS) provides the minimum level of performance for assigned carriers writing coverage on behalf of the Workers Compensation Insurance Plan (WCIP or Plan). The purpose of the **ACPS** is to provide policy issuance and service-level requirements that assigned carriers must comply with to provide residual market policyholders with effective and consistent service levels ~~is to provide policy issuance and service level requirements that assigned carriers must adhere to, in order to provide residual market employers with uniform quality service while containing residual market system costs.~~
- b. ~~While these~~ **Performance Standards** are the minimum requirements. However, assigned carriers are not precluded from providing enhanced levels of service.
- c. It is not the purpose of these **Performance Standards** to duplicate information contained in other NCCI manuals. They are to be used in conjunction with the NCCI manuals.

EXHIBIT 2
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

2. Assigned Carrier Compliance

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

b. **State and Federal Laws, Rules, and Enhanced Standards**

- (1) Assigned carriers are responsible for complying with all applicable state and federal laws and Workers Compensation Insurance Plan (WCIP) rules, as well as the **Performance Standards**. For purposes of these **Performance Standards**, state and federal laws include, but are not limited to, statutes, regulations, and administrative laws or rules, and may be referred to as “law,” “laws,” or “applicable laws.”
- (2) Where these **Performance Standards** conflict with the applicable state and/or federal laws and/or the WCIP rules, the more stringent applies.
- (3) Where these **Performance Standards** conflict with servicing carrier enhanced standards, as defined in PS 1-A-4-g through a competitive servicing carrier selection process ~~bid process~~ and/or executed contract, the more stringent applies.

d. **Staff and Team Approach**

- (1) Assigned carriers must have the facilities as well as staff of sufficient expertise necessary to comply with all ~~state~~ applicable laws, **Performance Standards**, WCIP rules, and procedures for its assigned duties.
- (2) Assigned carriers must administer these **Performance Standards** and any enhanced **Performance Standards** using a team approach. The team approach requires communication, interaction, and training among Customer Service, Underwriting, Claims, Loss Prevention, Audit, Billing, and Collections staff.
- (3) These **Performance Standards** must be implemented by the assigned carrier with objectively measurable and enforceable written procedures to include ongoing monitoring of quality controls. Compliance with these **Performance Standards** and corresponding written procedures ensures understanding and proper underwriting and servicing of each policy.

EXHIBIT 3
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

4. Definitions and Terms

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

b. Audit

Audit refers to premium audits performed by assigned carriers or their outside vendors to determine adequate estimated or actual payroll, confirm classification assignment(s), and determine estimated or actual annual premium. For more information about audits, *refer to PS 6*.

(1) Midterm Audits

Midterm audits are conducted during the policy period and are in the form of:

(a) Interim Audit

The employer submits externally verifiable payroll, tax information (including tax returns), and/or other requested information via mail or other electronic means.

(b) Interim Telephone

The employer provides externally verifiable payroll, tax information (including tax returns), and/or other requested information via telephone.

(c) Preliminary Physical

Generally ~~e~~Conducted at the employer's location(s) and/or location where records are kept, typically early in the policy term, to review verifiable payroll, tax information (including tax returns), and/or other requested information.

(2) Final Audits

Final audits are conducted after the cancellation or expiration of a policy and are in the form of:

(a) Estimated

Where permitted by state law, the audit is closed out with payrolls and classifications based on the assigned carrier's sound underwriting judgment due to the carrier's inability to conduct a mail, telephone, or physical audit.

(b) Mail

The employer submits externally verifiable payroll, tax information (including tax returns), and/or other requested information via mail or ~~other~~ electronic means.

(c) Physical

Generally ~~e~~Conducted at the employer's location(s) and/or location where records are kept to review verifiable payroll, tax information (including tax returns), and/or other requested information. Refer to PS 6-B-4-b for situations when a mail audit may replace a physical visit to the employer's location. Refer to PS 6-C-2-d for situations when an electronic submission may replace a physical visit to the employer's location.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 3 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

4. Definitions and Terms

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

(d) Telephone

The employer provides externally verifiable payroll, tax information (including tax returns), and/or other requested information via telephone.

c. Binder Package

The binder package consists of binder information that the assigned carrier will receive binder information electronically from the Plan Administrator. This information is also referred to as the binder package or assignment package, in accordance with as described in *Basic Manual* Rule 4-A-3-i(2).

g. Enhanced Standards

An enhanced standard is a contractual commitment made by a servicing carrier to perform 100% of the time at a measurably higher measurable level of service that exceeds the minimum level of service required by these *Performance Standards*.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 3 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

4. Definitions and Terms

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise
noted in the state-specific exhibits)

i. Manuals Referenced in These Standards

(1) Assigned Risk Supplement to the Basic Manual

Applies in accordance with the States of Application section of the *Assigned Risk Supplement*.

(2) Basic Manual

Applies in NGCI jurisdictions and where licensed to independent jurisdictions in accordance with the Preface of the *Basic Manual*. In jurisdictions where NGCI's *Basic Manual* does not apply, substitute the appropriate state rules.

(3) Experience Rating Plan Manual

The appropriate *Experience Rating Plan Manual* provides the authority for the experience rating modifications referenced in these *Performance Standards*.

(4) Servicing Carrier Reference Guide

Applies in its entirety to residual market servicing carriers and to direct assignment carriers as detailed in its Preface. Provides prescribed procedures and reporting requirements regarding workers compensation insurance plans and reinsurance pooling mechanisms.

(5) Statistical Plan

The *Statistical Plan* references mean all unit statistical plans approved for use in states where these *Performance Standards* apply.

(6) WCIO Workers Compensation Data Specifications Manual

Applies to data providers. Contains the electronic specifications for reporting policy and unit statistical data and detailed claim information to data collection organizations.

(7) Workers Compensation Policy Data Reporting Manual

Applies to data providers. Contains rules and requirements for reporting policy data, including new/renewal policies, cancellations, reinstatements, endorsements, and other required documents.

(8) Pool Data Reporting Guidebook

Applies to residual market servicing carriers only. Provides procedures and reporting requirements regarding reinsurance of residual market policies through the applicable reinsurance pooling mechanisms.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 3 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

4. Definitions and Terms

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
 SC, SD, TN, VA, VT, WV)

Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)
 (Exhibit comment: All current state exceptions will continue to apply unless otherwise
 noted in the state-specific exhibits)

~~j.~~ **i. New Business**

New business is the first year an employer is assigned to an assigned carrier by the Plan Administrator.

~~k.~~ **j. Plan**

Plan refers to NCCI's Workers Compensation Insurance Plan (WCIP), as defined in *Basic Manual* Rule 4-A-2-bb or the applicable state workers compensation insurance plan.

~~l.~~ **k. Plan Administrator**

The organization designated to administer the affairs of the Plan as approved by the regulatory authority in a state.

~~m.~~ **l. Pool, NWCRA, or Association**

Pool refers to the National Workers Compensation Reinsurance Association NFP (NWCRA or Association), a reinsurance pooling mechanism as defined by *Basic Manual* Rule 4-A-2-n, or the applicable state reinsurance pooling mechanism.

~~n.~~ **m. Pool or Reinsurance Administrator**

The organization appointed, contracted, or designated to administer the affairs of the Pool.

~~o.~~ **n. Producer**

A licensed insurance agent, broker, or insurance representative, as defined in the state insurance law, regulation, and/or rule, ~~and whose~~

- ~~Has not had their privileges under the WCIP have not been this Plan suspended or revoked.~~
- ~~Is designated by the employer or applicant applying under this Plan that applied under the WCIP to secure and maintain workers compensation and employers liability insurance on behalf of the employer.~~
- ~~For purposes of the WCIP, the producer is considered to be acting on behalf of the insured or employer applying for coverage under this Plan and not as an agent of the Plan Administrator or of any assigned carrier for Plan business.~~

~~p.~~ **o. Renewal Business**

Policies issued after the expiration of a new business policy are considered renewal business.

p. Written Correspondence

Written correspondence refers to communications by mail, fax, or electronic means such as email.

EXHIBIT 4

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 1—INTRODUCTION

A. GENERAL EXPLANATION

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

5. Manuals Referenced in These Standards

a. Assigned Risk Supplement to the Basic Manual

Applies in accordance with the States of Application section of the *Assigned Risk Supplement (ARS)*.

b. Basic Manual

Applies in NCCI jurisdictions and where licensed to independent jurisdictions in accordance with the Preface of the *Basic Manual*. In jurisdictions where NCCI's *Basic Manual* does not apply, substitute the appropriate state rules.

c. Experience Rating Plan Manual

The appropriate *Experience Rating Plan Manual* provides the authority for the experience rating modifications referenced in these *Performance Standards*.

d. Servicing Carrier Reference Guide

The *Servicing Carrier Reference Guide (SCRG)* applies in its entirety to residual market servicing carriers and to direct assignment carriers as detailed in its Preface. Provides prescribed procedures and reporting requirements regarding workers compensation insurance plans and reinsurance pooling mechanisms.

Note: For a complete listing of NCCI's data reporting manuals, refer to the *Manuals Library* at ncci.com.

EXHIBIT 5
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise
noted in the state-specific exhibits)

B. DATA REPORTING

Assigned carriers are responsible for reporting data in accordance with the ~~Statistical Plan~~ appropriate data reporting manuals as referenced in the *Servicing Carrier Reference Guide* and other appropriate manuals and materials (e.g., circulars, statutes) as directed by the appropriate advisory, rating, statistical organization, Plan Administrator, Pool Administrator, and/or Reinsurance Administrator.

1. Assigned Carriers

All assigned carriers must:

- a. Identify, distinguish, and segregate residual market data from voluntary market data.
- b. Collect and maintain residual market data required to carry out all necessary reporting requirements.
- c. Report all data to NCCI and/or other appropriate advisory, rating, statistical organization, Plan Administrator, and/or Pool Administrator.
- d. Report all assigned risk policy information electronically to the Plan Administrator. Information includes, but is not limited to:
 - Policies
 - Endorsements
 - Binder number
 - Cancellations and reinstatements
 - Noncompliance and compliance transactions
- e. Report other required data in the form and manner specified by the Plan and/or Pool Administrator that is used for the oversight of assigned carriers (e.g., used for the selection of policy or claim data for audits).

2. Servicing Carriers

All servicing carriers must also segregate and report actuarial and financial data in accordance with the *Servicing Carrier Reference Guide* and other appropriate data reporting manual(s).

EXHIBIT 6

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 1—INTRODUCTION

C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

4. Noncompliance Reporting

- a. All noncompliance transactions must be reported to the Plan Administrator within five business days of the assigned carrier's determination that the employer is noncompliant.
- b. Assigned carriers must report and update noncompliance of policy terms and conditions electronically using one or both of the following data reporting options:
 - (1) NCCI's tool for reporting policy data as referenced in the ***Servicing Carrier Reference Guide***
 - (2) ***Workers Compensation Policy Reporting Specifications (WCPOLS) Record Layout***For the form and manner in which the data must be reported, *refer to the appropriate data reporting manuals* and tools.
- c. The Plan Administrator will reject any application submitted for a known noncompliant employer.
- d. If the Plan Administrator receives notification from a carrier of an employer's noncompliance, the Plan Administrator will notify the current assigned risk carrier, if any (and if different than the carrier reporting the noncompliance), that the employer is ineligible for continuing coverage. The current assigned carrier must then comply with cancellation requirements in accordance with ***Basic Manual*** Rules 3-A-3 and 4-A-4-a(3) and PS 3-D-2.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 6 (CON'T)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 1—INTRODUCTION
C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS
(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)
(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)
(Exhibit comment: All current state exceptions will continue to apply unless otherwise
noted in the state-specific exhibits)

6. Determination of Compliance

- a. An employer is deemed compliant for any of the following reasons:
- (1) Payment in full of all outstanding premium or deductible obligations.
 - (2) Receipt of first payment in accordance with written agreement to use a payment plan.
 - (3) Bona fide dispute is received as defined in **Basic Manual** Rule 4-A-2-h.
 - (4) Bankruptcy, and the court-stamped petition and discharge order, if entered, including the complete list of creditors, are provided to the Plan Administrator with the application, and only if:
 - (a) The filed bankruptcy petition imposed an automatic stay against collection activities by the carrier(s) listed as a creditor for all outstanding workers compensation insurance premium obligations, and the bankruptcy trustee has ordered the employer/applicant to secure workers compensation insurance; or
 - (b) The bankruptcy court has entered a discharge order fully discharging all outstanding workers compensation insurance premium obligations owed by the employer/applicant to a carrier(s) included on the list of creditors.
 - (5) Submission of required underwriting information (e.g., ERM-14 Forms).
 - (6) **Audit and Loss Prevention**
 - (a) Agreement and scheduling of audit or loss prevention survey. If, after scheduling, the employer does not permit the audit or survey, and the carrier reports noncompliance, the employer is deemed compliant only when the audit or survey is completed—not when the employer reschedules.
 - (b) Compliance with audit requirements or loss prevention survey recommendations.
 - (c) Audit adjustment reduces the premium obligation to a zero or credit balance.
 - (d) **Audit Noncompliance Charge Exception:**

An assigned carrier may apply an Audit Noncompliance Charge (ANC) in accordance with **Basic Manual** rules. In such situations, an employer is not deemed compliant if the employer pays the ANC but does not allow the audit and/or does not comply with the audit requirements. Therefore, PS 1-C-6-a(6)(a) is not applicable and the employer is deemed noncompliant for audit purposes until the audit portion of PS 1-C-6-a(6)(b) is fulfilled.
- b. When multiple noncompliance issues occur, individual issues may be deemed compliant, but if there are any remaining noncompliant issues, the employer remains noncompliant.
- c. **Compliance Effective Date**
- (1) If the employer becomes compliant for reasons not related to submitting outstanding premium or deductible payments, the compliance effective date is the date the employer is deemed compliant, in accordance with PS 1-C-6
 - (2) If the employer submits the outstanding premium or deductible payment, the compliance effective date must be in accordance with PS 7-A-3 and 8-A-3, respectively

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 7

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 2—CUSTOMER SERVICE

A. GENERAL INFORMATION REQUESTS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

1. Employer Requests

Within 10 days of a ~~Upon~~ telephone or written request by the employer, the assigned carrier must:

- a. Provide information regarding the classification of the business and other factors resulting in the policy premium including any applicable audit or other appropriate documentation~~within 14 days -~~
- b. Furnish a contact list of names, addresses, email addresses, website address, toll-free telephone and facsimile numbers for Customer Service, Underwriting, Audit, Claims, Loss Prevention, and Billing and Collections, ~~within 14 days -~~
- c. Maintain and make available loss records ~~within 20 days -~~
- d. Provide a copy of the experience rating worksheet, at no cost

When an initial inquiry is made to the assigned carrier via telephone, the assigned carrier should require, where appropriate, that the inquiry be submitted in writing, including hard copy, fax, or electronic means such as email, to ensure proper handling.

EXHIBIT 8
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 2—CUSTOMER SERVICE

B. WRITTEN CORRESPONDENCE

2. Review and Resolution

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

a. Review

The assigned carrier must review all correspondence and research as appropriate to respond to and/or resolve the issue(s). If it is determined that additional information is needed from the employer, provide a detailed written explanation of what information is needed, with a reasonable deadline for the requested information, must be provided to the employer.

b. Resolution

Upon receipt of all necessary information and completion of appropriate research and review, the assigned carrier must respond to the employer with:

- (1) Appropriate resolution.
- (2) All documentation relevant to the issue(s), including a clear, written explanation detailing the applicable rule(s) and/or policy condition(s) and how it applies to the specific inquiry.
- (3) An explanation of how to contact the Plan Administrator if the resolution is unsatisfactory to the employer.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 9

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 2—CUSTOMER SERVICE

(Applies in: AK, AL, AR, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

C. BONA FIDE DISPUTES

If a bona fide dispute exists in accordance with *Basic Manual* Rule 4-A-2-h, the assigned carrier must comply with the dispute resolution procedures located in *Basic Manual* Rule 4-A-10.

EXHIBIT 10
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)

3. Renewal Business

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

a. Renewal or Nonrenewal Notices

- (1) ~~At least 60 days before expiration of the current policy, the assigned carrier must send a:~~
 - a. ~~send a #Renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. This renewal proposal and/or nonrenewal notice must be sent at least 60 days before expiration of the current policy.~~
 - b. Follow-up renewal reminder in addition to the standard renewal proposal. This follow-up renewal reminder must be issued within 10–30 days before expiration, if required payment has not been received.
- (2) When developing a renewal proposal, the assigned carrier should consider reasonable payroll inflation and employment level changes in the employer's operation.
- (3) In situations where the issuance of a renewal proposal or nonrenewal notice has been suspended or delayed due to the current policy being in cancellation status, the renewal proposal and/or nonrenewal notice, as appropriate, must be sent to the employer within 15 days after receipt of funds satisfying the premium obligation or receipt of the item correcting the fault.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS**EXHIBIT 11****ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION****PERFORMANCE STANDARD 3—UNDERWRITING**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

B. REAPPLICATION AND REASSIGNMENT

1. Occasionally, employers previously covered under the WCIP may reapply for coverage. According to **Basic Manual** Rule 4-A-9-c, the employer will be assigned back to the assigned carrier that had provided the prior assigned risk coverage, where available. However, reassignment requests made by either the employer or assigned carrier in a timely manner are granted when:
 - a. A valid reassignment request is submitted in accordance with **Basic Manual** Rule 4-A-3-k; the Plan Administrator will contact the current or prior assigned carrier for documentation concerning the employer's eligibility. The assigned carrier must review its records and inform the Plan Administrator of any outstanding premium obligation or other unresolved incidents affecting eligibility within five days of receipt of the request.
 - b. The prior assigned carrier cannot provide all the requested coverage(s).
 - c. The quota mechanism determines that another carrier is needed to ensure proper Plan participation.
2. The assigned carrier to which the employer was reassigned will receive a notice of prior coverage, the effective date and policy number, if available. For purposes of these **Performance Standards**, reassignments are serviced as follows:
 - a. An employer reassigned to a new assigned carrier must be serviced as new business.
 - b. An employer reassigned back to a prior assigned carrier must be serviced as a renewal; however, if there is a gap of six months or more between the policy periods, the reassignment must be serviced as new business. For seasonal operations, reassignment as new or renewal is to be determined at the assigned carrier's discretion, based on sound underwriting judgment. Clear documentation concerning the reassignment must be maintained.
3. All data reporting requirements must continue to be met according to the appropriate data reporting manual(s). ~~**Workers Compensation Policy Data Reporting Manual** and **Statistical Plan**.~~

EXHIBIT 12
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 3—UNDERWRITING

C. MIDTERM POLICY CHANGES

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

2. Endorsements

a. Employer-Initiated Endorsements

- (1) When requested by the employer or producer, endorsements will be accurately issued within 2014 days after receipt of request, required documentation, and any additional deposit premium.
- (2) The assigned carrier must contact the employer or producer within 10 days of receipt of the request if:
 - (a) Additional documentation and/or premium is necessary, or
 - (b) The policy will not be endorsed as requested
- (3) If additional information or deposit premium is required, the time standard is suspended as of the date of the request for additional information or deposit premium. It restarts on the date the additional information or deposit premium is received. On the restart of the time standard, the assigned carrier has the balance of the 2014-day time frame or 10 days, whichever is greater, to issue the endorsement.
- (4) Endorsement effective dates are to be determined in accordance with *Basic Manual* rules.

b. Assigned Carrier-Initiated Premium Endorsements

- (1) A change in exposure or payroll determined by any type of audit or by other verifiable means may result in the need to issue an additional premium endorsement. In order to make such a determination, recalculate the new estimated annual premium using the new exposure and payroll and compare it to the current policy's estimated annual premium. If the additional premium generated is at least \$500 or 25% of the most recent estimated annual premium of the current policy, whichever is the greater amount, the endorsement must be accurately issued within 50 days of any of the following:
 - a. Auditor's visit to the employer's location to conduct a physical audit
 - b. Carrier's receipt of a mail audit
 - c. Phone call with the employer to conduct a telephone audit
 - d. aAccurate determination of the exposures and payroll by any other verifiable means-
- (2) All files must be documented as to when and how the accurate exposure and payroll information ~~is~~ are obtained and determined.
- (3) Policies must be endorsed in accordance with appropriate *Basic Manual* and *Experience Rating Plan Manual* rules.

EXHIBIT 13

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 3—UNDERWRITING

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

D. CANCELLATION

1. Employer-Initiated Cancellation or Nonrenewal

- a. Written requests for cancellation by an employer or its representative must be processed and notice of cancellation issued within five business days after receipt of request and required documentation.
- b. The assigned carrier must contact the employer or producer within five business days of receipt of request, if additional documentation is necessary. The cancellation must be processed and notice of cancellation issued within five business days after receipt of the requested additional documentation.
- c. The employer, producer, premium finance company, Plan Administrator, regulators, known certificate holders, and/or other appropriate parties must be provided notices of cancellation detailing the specific reason(s) for cancellation or nonrenewal of the policy. Such notification must be in accordance with all applicable state laws.
- d. Retroactive cancellation is not permitted unless other workers compensation insurance has been secured, the employer has been approved as a self-insured, or to comply with statutory cancellation notice requirements.

2. Assigned Carrier-Initiated Cancellation

- a. When authorized by the WCIP, the assigned carrier must initiate cancellation and notify the employer, producer, premium finance company, Plan Administrator, regulators, known certificate holders, and/or other appropriate parties within five business days if, after opportunity to cure, an employer is not in good faith entitled to workers compensation insurance.
- b. Assigned carriers must comply with eligibility and cancellation related **Basic Manual** Rules 3-A-3, 4-A-3-b, 4-A-4-a(3), and/or other state specific WCIP rules.

EXHIBIT 14

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 3—UNDERWRITING

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

E. REINSTATEMENT/RESCISSION OF CANCELLATION NOTICES

1. Requests for reinstatement or rescission of a cancellation notice must be accepted or denied and communicated to the employer, producer, premium finance company, Plan Administrator, regulators, known certificate holders, and/or other appropriate parties within five business days after receipt of request, receipt of funds satisfying the premium obligation, or receipt of the item correcting the fault. For more information about effective dates and cancellations, *refer to **Basic Manual Rule 4-A-4-a(4)**, ~~and PS 3-A-3-a(3)~~ and PS 3-D. For reinstatement transaction reporting rules, *refer to NCCI's data reporting manuals*.*
2. The assigned carrier must contact the employer or producer within five business days of receipt of request, if additional documentation is necessary.

EXHIBIT 15

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 3—UNDERWRITING

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

F. CERTIFICATE OF INSURANCE

1. On request, the assigned carrier must issue certificates of insurance. If the request is consistent with the terms and conditions of the policy, the certificate must be issued within five business days after receipt of the request.
2. The assigned carrier must contact the employer or producer within five business days after receipt of the request, if additional documentation is necessary. The certificate must be issued within five business days after receipt of the requested additional documentation.
3. ~~2-~~ Producers are authorized to issue certificates of workers compensation insurance, in accordance with Section 1-A-4-a of the ***Assigned Risk Supplement to the Basic Manual***.
4. ~~3-~~ Assigned carriers may permit producers to issue certificates of insurance on the assigned carrier's own forms; however, such certificates may only be issued subject to the same terms and conditions under which certificates on the standard ACORD® form may be issued. If the assigned carrier authorizes the use of such a form, the assigned carrier must instruct producers in the use of that particular form.
5. ~~4-~~ The "Special Items" section of the certificate may be modified by the assigned carrier, or by the employer/producer if authorized by the assigned carrier, to include clauses required by contract. This is the only basis for modification and must be authorized by the assigned carrier. An example of such modification is the addition of the special cancellation and notification clause required by many government contracts.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 16

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 4—LOSS PREVENTION

A. LOSS PREVENTION SERVICES TO BE PROVIDED

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

2. Scheduling and Follow-Up

- a. When scheduling appointments for loss prevention services, the assigned carrier must make reasonable allowances for scheduling conflicts or other employer difficulties.
- b. Assigned carriers must make two reasonable documented attempts to schedule loss prevention services (e.g., survey, follow-ups). The attempts to begin scheduling appointments must be made early in the process to ensure that the timeliness requirements in PS 4-B are met. Documented initial and follow-up attempts include:
 - Written correspondence (~~mail, e-mail, or fax~~)
 - Telephone contact
 - Other procedures
- c. The assigned carrier must issue a notice of cancellation in accordance with the applicable state laws for violation of the good faith provisions of the WCIP and/or state laws if:
 - (1) After at least two good faith attempts at contact by the assigned carrier to schedule a loss prevention survey (LPS), one of which must be in writing, the employer fails to afford reasonable access to its operations within 60 days of the last attempt.
 - (2) After 60 but no later than 90 days from submission of the critical recommendations, the employer fails to implement or demonstrate substantial evidence of intent to implement the recommendations. For more information about following up on critical recommendations, *refer to PS 4-C-2.*

Note: Assigned carriers must comply with eligibility and cancellation-related *Basic Manual* Rules 3-A-3, 4-A-3-b, 4-A-4-a(3), and/or other state specific WCIP rules, and PS 3-D-2.

3. Loss Prevention Services Documentation

- a. Assigned carriers must document files with a sufficient level of detail indicating all:
 - LPS scheduling attempts
 - Requests for, and receipt of, information
 - LPS completion
 - ~~Any~~ Other item(s) or decision(s) that impact(s) loss prevention
- b. File documentation must be retained in accordance with policy terms and applicable laws.

EXHIBIT 16 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 4—LOSS PREVENTION

A. LOSS PREVENTION SERVICES TO BE PROVIDED

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

5. Loss Prevention Survey Content

Loss prevention surveys include, but are not limited to:

- a. Definitive analysis of past accident experience to determine causes and trends, supported by loss runs or other related documentation.
- b. Review of potential employer exposures; specifically identifying conditions and operations that could cause loss.
- c. Review and documentation of major elements of employer loss prevention program and activities.
- d. Description of nature and size of operations, number of locations, and loss potential for classification and underwriting purposes.
- e. Description of all employees' job duties and their exposure to coal dust for policies with a governing code for surface or underground coal mine exposure. Under such a policy, if there is no exposure to coal dust, the description must state ~~as such~~ so.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS**EXHIBIT 16 (CONT'D)****ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION****PERFORMANCE STANDARD 4—LOSS PREVENTION****A. LOSS PREVENTION SERVICES TO BE PROVIDED**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

6. Recommendations and Additional Services

- a. Recommendations are the results of a loss prevention survey. They indicate employer control of actual or potential exposures and, where applicable, program activities or management principles.
- b. The status of recommendations submitted on prior surveys must be reviewed with the employer during the loss prevention survey visit. Such review must include all of the following:
 - ~~Be confirmed in writing, and~~ Written confirmation of the review
 - ~~Indicate the s~~Status of these recommendations (completed or not), ~~and~~
 - ~~Include e~~Employer agreement with those recommendations not previously completed, ~~and~~
 - ~~Include the s~~Status of findings, orders, and/or citations issued by the Mine Safety and Health Administration (MSHA) for policies with a governing code for surface or underground coal mine exposure.
- c. There are two types of recommendations:
 - (1) **Critical Recommendations**
 - (a) Critical recommendations address:
 - Exposures of imminent danger
 - Serious loss potential or continuing losses, which address uncontrolled exposures expected for the type of operation as indicated in *Best's Loss Control Manual* or other materials
 - (b) These recommendations must be identified as critical to both the employer and producer with notification stating that failure to comply with these recommendations may result in the cancellation of coverage.
 - (2) **Desirable Recommendations**

Desirable recommendations address minor exposures that exist but are not of pressing importance.
- d. Additional loss prevention services must be provided where, at the assigned carrier's discretion, they determine the services will be effective in reducing losses. These services include one or more of the following:
 - (1) Assessment of identified occupational disease exposure
 - (2) Workstation ergonomic assessments
 - (3) Supervisor safety training materials to supplement insurer training efforts
 - (4) Other services as needed

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 17

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 4—LOSS PREVENTION

B. TIMELINESS AND PROCEDURES

(Applies in: AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, DE, GA, IN, KS, MS, NH, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

1. Employer-Requested Loss Prevention Services

When an employer requests loss prevention services, the assigned carrier must:

- a. Respond to the employer within 4410 days of the receipt of request
- b. Complete the survey or provide other appropriate assistance (e.g., safety literature, video) within 4530 days from the date of response

EXHIBIT 18

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 4—LOSS PREVENTION

B. TIMELINESS AND PROCEDURES

2. Assigned Carrier-Initiated Loss Prevention Surveys (LPS)

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

b. Basic Timeliness for Qualifying Employers and Locations

- (1) The assigned carrier must complete an LPS for all qualifying locations within 120 days of the policy effective date or receipt of assignment by the assigned carrier, whichever is later, with the date of receipt being maintained in the file.
- (2) The assigned carrier is not required to conduct an LPS if, at policy issuance:
 - (a) The policy qualified for an LPS, and
 - (b) Is subsequently endorsed within 90 days of policy effective date, and
 - (c) No longer meets the LPS requirement
- (3) The assigned carrier must complete an LPS within 120 days of the endorsement issuance date if, at policy issuance:
 - (a) The policy did not qualify for an LPS, and
 - (b) Is subsequently endorsed within 180 days of policy effective date, and
 - (c) Now meets the LPS requirement
- (4) The assigned carrier must complete an LPS on the renewal policy within 120 days of the policy effective date if the current policy:
 - (a) ~~The current policy~~ Did not originally qualify for an LPS, and
 - (b) Is subsequently endorsed more than 180 days after policy effective date, and
 - (c) ~~The current policy~~ Now meets the LPS requirement

Note: If the assigned carrier chooses to perform an LPS on the current policy, then an LPS on the renewal policy is not required.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 18 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 4—LOSS PREVENTION
B. TIMELINESS AND PROCEDURES**

2. Assigned Carrier-Initiated Loss Prevention Surveys (LPS)

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

d. Cancelled and Reinstated Policies

Loss Prevention Surveys (LPSs) of cancelled and reinstated policies must be completed in accordance with the Cancelled and Reinstated Policies LPS Table.

Cancelled and Reinstated Policies LPS Table (Exceptions: AK)		
If a policy . . .	And . . .	Then . . .
<u>Qualified for an LPS and:</u> <ul style="list-style-type: none"> • <u>Was in cancellation status but did not cancel</u> • <u>Cancelled but was reinstated with a lapse</u> • <u>Cancelled but was reinstated without a lapse</u> 	<u>An LPS has not been conducted on that qualifying policy</u>	<u>The time requirements of PS 4-B-2-b and 4-B-2-c are extended for the number of days the policy was in cancellation status plus any lapse, with the lapse not exceeding 60 days.</u>

For more information about reinstating with lapses and rescission of cancellation, *refer to Basic Manual Rule 4-A-4-a(4).*

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 19
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 4—LOSS PREVENTION
 (Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, WV)
 (Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)
 (Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

LPSs are to be conducted in accordance with the following premium ranges, governing classifications, experience rating modifications, and locations for all employers except domestic servants. While these are the minimum requirements, assigned carriers are encouraged to perform LPSs for non-qualifying employers based on sound underwriting judgment.

Note: Premium Range refers to estimated annual premium developed in accordance with *Basic Manual* Rule 3-A-9. Governing classification is determined in accordance with *Basic Manual* Rule 1-B-5.

Loss Prevention Survey Table

Premium Range	Governing Classification Codes									
\$50,000 and over	All employers, regardless of governing classification code.									
\$20,000 to \$49,999	0037	0042	0050	0083	<u>0016</u>	<u>0079</u>	0106	0401	1005	1016
	1164	1165	1320	1322	<u>1430</u>	1438	<u>1452</u>	<u>1463</u>	1472	1624
	<u>1642</u>	<u>1654</u>	<u>1699</u>	<u>1701</u>	<u>1710</u>	1744	<u>1747</u>	<u>1748</u>	1803	<u>2014</u>
	2095	<u>2211</u>	<u>2402</u>	2701	2702	2709	2710	<u>2731</u>	2802	2883
	2916	<u>3004</u>	<u>3018</u>	<u>3027</u>	3030	<u>3040</u>	<u>3081</u>	<u>3082</u>	<u>3085</u>	<u>3336</u>
	<u>3365</u>	3507	3632	<u>3620</u>	<u>3719</u>	3724	<u>3726</u>	3824	<u>4000</u>	<u>4021</u>
	<u>4024</u>	<u>4034</u>	<u>4036</u>	<u>4207</u>	<u>4239</u>	4420	4544	<u>4568</u>	4581	4583
	4635	<u>4665</u>	<u>4670</u>	<u>4686</u>	<u>4740</u>	<u>4751</u>	4771	<u>4777</u>	<u>4825</u>	<u>4828</u>
	4829	<u>5020</u>	5022	5037	5040	5057	5059	5069	<u>5102</u>	<u>5146</u>
	<u>5160</u>	5183	<u>5188</u>	5190	5213	<u>5221</u>	<u>5222</u>	<u>5223</u>	5348	5403
	5437	5445	<u>5462</u>	<u>5472</u>	<u>5473</u>	5474	<u>5478</u>	<u>5480</u>	<u>5491</u>	5506
	<u>5507</u>	<u>5508</u>	5535	<u>5537</u>	5551	<u>5606</u>	5640	5645	<u>5703</u>	<u>5705</u>
	<u>6003</u>	<u>6005</u>	<u>6018</u>	<u>6045</u>	6204	<u>6206</u>	<u>6213</u>	<u>6214</u>	<u>6216</u>	6217
	<u>6229</u>	<u>6233</u>	6235	<u>6236</u>	<u>6237</u>	6251	6252	<u>6306</u>	6319	<u>6325</u>
	6702	6703	6704	6834	<u>6811</u>	6836	6854	6872	6874F	6882
	6884	7038	7050	7090	7098	7099	<u>7133</u>	7219	<u>7222</u>	7225
	7228	7229	<u>7232</u>	<u>7360</u>	7309F	7347F	7350F	<u>7370</u>	7403	<u>7405</u>
	7420	<u>7421</u>	7422	7425	7431	<u>7502</u>	7515	<u>7538</u>	7539	<u>7540</u>
	<u>7580</u>	<u>7600</u>	<u>7605</u>	7640	7705	7710	7711	<u>7720</u>	<u>7855</u>	8048
	8024	<u>8106</u>	<u>8107</u>	<u>8204</u>	8215	8227	<u>8232</u>	<u>8233</u>	<u>8264</u>	8265

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 19 (CONT'D)
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 PERFORMANCE STANDARD 4—LOSS PREVENTION
 (Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD,
 TN, VA, WV)
 (Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)
 (Exhibit comment: All current state exceptions will continue to apply unless otherwise
 noted in the state-specific exhibits)
 Loss Prevention Survey Table (Cont'd)**

Premium Range	Governing Classification Codes																																																		
	<table border="0"> <tr> <td>8279</td><td>8288</td><td>8292</td><td>8293</td><td><u>8304</u></td><td><u>8350</u></td><td>8380</td><td><u>8385</u></td><td><u>8500</u></td><td><u>8606</u></td> </tr> <tr> <td><u>8719</u></td><td><u>8720</u></td><td><u>8721</u></td><td><u>8725</u></td><td><u>8755</u></td><td><u>8803</u></td><td>8824</td><td>8826</td><td>8829</td><td>8834</td> </tr> <tr> <td>8832</td><td>8833</td><td>8835</td><td>8842</td><td>8864</td><td>8868</td><td><u>9014</u></td><td><u>9015</u></td><td><u>9016</u></td><td><u>9019</u></td> </tr> <tr> <td>9082</td><td>9083</td><td>9088</td><td>9456</td><td><u>9170</u></td><td>9478</td><td><u>9180</u></td><td><u>9186</u></td><td><u>9402</u></td><td><u>9403</u></td> </tr> <tr> <td><u>9516</u></td><td><u>9519</u></td><td><u>9521</u></td><td><u>9534</u></td><td><u>9554</u></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>	8279	8288	8292	8293	<u>8304</u>	<u>8350</u>	8380	<u>8385</u>	<u>8500</u>	<u>8606</u>	<u>8719</u>	<u>8720</u>	<u>8721</u>	<u>8725</u>	<u>8755</u>	<u>8803</u>	8824	8826	8829	8834	8832	8833	8835	8842	8864	8868	<u>9014</u>	<u>9015</u>	<u>9016</u>	<u>9019</u>	9082	9083	9088	9456	<u>9170</u>	9478	<u>9180</u>	<u>9186</u>	<u>9402</u>	<u>9403</u>	<u>9516</u>	<u>9519</u>	<u>9521</u>	<u>9534</u>	<u>9554</u>					
8279	8288	8292	8293	<u>8304</u>	<u>8350</u>	8380	<u>8385</u>	<u>8500</u>	<u>8606</u>																																										
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8832	8833	8835	8842	8864	8868	<u>9014</u>	<u>9015</u>	<u>9016</u>	<u>9019</u>																																										
9082	9083	9088	9456	<u>9170</u>	9478	<u>9180</u>	<u>9186</u>	<u>9402</u>	<u>9403</u>																																										
<u>9516</u>	<u>9519</u>	<u>9521</u>	<u>9534</u>	<u>9554</u>																																															
\$1 to \$19,999	At assigned carrier's discretion, based on sound underwriting judgment.																																																		
Experience Rating																																																			
1.40 and higher, with an estimated annual premium of \$10,000 and over	All employers, regardless of governing classification code and status of experience rating modification (e.g., preliminary, final, contingent).																																																		
1.39 and lower	At assigned carrier's discretion, based on sound underwriting judgment.																																																		
Claim Frequency	The assigned carrier must develop written procedures to identify and perform LPSs by comparing claim frequency with policy premium size during the course of the policy period.																																																		

Location Determination Table

If . . .	Then survey . . .
Each location meets the criteria of a mandatory LPS based on premium range	All locations and active job sites
The total annual premium for a state meets the criteria of a mandatory LPS based on premium range, but no single location within the state meets the criteria	The principal location for that state
The total annual premium for a multistate policy meets the criteria of a mandatory LPS based on premium range, but no single state on the policy meets the criteria	The principal location of the employer
An employer qualifies based on its experience rating modification	Location(s) based on assigned carrier's underwriting judgment including, but not limited to: <ul style="list-style-type: none"> • High exposure, or • Frequent or severe loss history

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 19 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 4—LOSS PREVENTION

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

Location Determination Table (Cont'd)

If . . .	Then survey . . .
<ul style="list-style-type: none"> • There are no active job sites, or • The operations are transient in nature, or • The operations are seasonal 	By telephone, until the job site becomes active
An office is not located in the state(s) covered by the policy	By telephone, until the job site becomes active
A location received a critical recommendation during a prior LPS	That location—additional locations may be surveyed at the assigned carrier's discretion

Note: Principal location is defined as the location of the operation with the governing classification that produces the greatest amount of payroll for the business.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 20
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS
(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)
(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

B. FILE MANAGEMENT AND DOCUMENTATION

1. The assigned carrier must develop reasonable standard procedures for:
 - Contacting appropriate parties
 - Obtaining pertinent information
 - Documenting the case file
 - Ensuring that claims are coded to classification codes that are on the policy at the time of the loss or upon completion of a final premium audit. Refer to PS 5-D-8 and PS 5-F-1-c-4 for additional procedures concerning classification issues that surface as a result of an injury or illness report.
2. Assigned carriers must make documented attempts ~~to make with~~ appropriate contact ~~and to~~ obtain information required in these **Performance Standards**. Documented initial (unless otherwise indicated) and follow-up contact attempts include:
 - Written correspondence (~~mail, e-mail, or fax~~)
 - Personal contact
 - Telephone contact
 - Other procedures
3. Assigned carriers must fully document files with a sufficient level of detail, either electronically or by hard copy, indicating all:
 - Contact attempts
 - Sources of information and dates of all activity, including date the claim was received, established, and assigned
 - Requests for, and receipt of, information
 - Copies of documents confirming relationships, dependency, investigations by public entities, etc.
 - Team review, supervision and management direction and control of file consistent with the injury severity and the extent of disability
 - Any other item or decision that impacts compensability
4. For occupational disease claims, PS 5-B-4 applies in addition to PS 5-B-1 through PS 5-B-3, and the assigned carrier must:
 - (a) Include an electronic copy or hard copy of the appropriate policy's Information Page and applicable endorsements in the claim file to document that the employer was the named insured and had a policy in force with the assigned carrier.
 - (b) Complete the following fFor Federal Mine Safety and Health Act occupational disease claims:
 - (1) Document that the policy provided federal coverage by having either an electronic copy or hard copy of the appropriate Federal Mine Safety and Health Act endorsement contained in the claim file
 - (2) Document if the injured worker is a owner, partner, or officer and include in the claim file an electronic copy or hard copy endorsement providing coverage for the owner, partner, or officer
 - (3) Notify the Plan Administrator when two or more carriers are identified by the US Department of Labor as potential responsible parties, so a defense strategy may be coordinated
 - (4) Maintain all documentation in perpetuity

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 20 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

**(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)**

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

5. File documentation must be retained in accordance with these *Performance Standards*, policy terms, and applicable laws.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS**EXHIBIT 21****ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION****PERFORMANCE STANDARD 5—CLAIMS**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

D. MEDICAL-ONLY CLAIMS AND LOST-TIME CLAIMS NOT EXCEEDING THE APPLICABLE WAITING PERIOD

Assigned carriers must:

1. Establish objectively measurable written standards, procedures, and guidelines for appropriate handling of medical-only claims and lost-time claims not exceeding the applicable state-determined waiting period. These must include, but are not limited to, the ability to transfer the file to appropriate claims personnel based on the following as determined by the assigned carrier:
 - Medical payout limit
 - Injury severity limit
 - Lost-time or potential lost-time indicators
2. Ensure coverage and compensability. If denial of compensability and/or liability is in order, ensure that prompt and legally sufficient denial is made to proper parties, followed up with timely administrative filings where required, providing vigorous defense for nonmeritorious claims.
3. Establish timely and adequate medical reserves commensurate with all known claim factors and information developed.
4. Activate an integrated medical management program, where not prohibited by law, that includes, but is not limited to, ~~where required or permitted by the applicable law:~~
 - Preaccident medical care arrangements that must include, at a minimum, Preferred Provider Organizations (PPOs), Preferred Provider Networks (PPNs), Managed Care Organizations (MCOs), and other similar arrangements, all of which must be accredited through recognized accreditation organizations
 - Timely reporting of accidents
 - ~~PPO/PPN/MCO and similar arrangements. PPO/PPN/MCO and similar entities should be accredited through recognized accreditation organizations~~
 - Peer review
 - Utilization review
 - Hospital precertification/preadmission review, consistent with the severity of injury
5. Obtain narrative reports from the treating physician(s) and/or other medical practitioners documenting the status of the worker's injury and disability to use in conjunction with medical bill screening.
6. Screen all medical bills to ensure that treatment is related to the injury and charges are reasonable and necessary, ~~utilizing~~. Use fee schedules, relative value studies, and/or usual and customary rates to reduce billed amounts accordingly. Where questions of compensability, liability, necessity, or reasonableness:
 - a. Do not exist, and physician reports have been received, pay all bills within 30 days of receipt or earlier if the applicable law so provides.
 - b. Exist, notify the medical provider/vendor within 30 days of receipt, explaining the reasons for the need for further information or investigation.
7. Provide and update required reports to appropriate state and federal administrative agencies in accordance with the agency requirements.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 21 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

8. Immediately notify the underwriter concerning any coverage or classification issues that surface as a result of an injury or illness report.
9. Thoroughly investigate any medical-only claim filed by an employee of an uninsured entity affiliated with or owned by an insured entity to determine proper coverage and compensability. The review must include, but is not limited to, a review of the original application for insurance to determine whether the uninsured affiliate has insurance through some other source. The underwriter must be immediately notified of the results of the review to take immediate appropriate action under the existing policy. The action(s) includes but is not limited to:
 - a. Endorsing the policy to include or exclude coverage for the affiliate
 - b. Initiating cancellation

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 22

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

E. EARLY INTERVENTION FOR LOST-TIME OR POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, SD)

1. Assignment

Within one business day of the assigned carrier's receipt of notice of loss for a claim that exceeds or may exceed the applicable waiting period, the assigned carriers must assign cases based on:

- a. Type of injury
- b. A claim handler's appropriate expertise and knowledge regarding, but not limited to, potential:
 - (1) Lost time in excess of the applicable waiting period
 - (2) Permanent disability
 - (3) Subrogation
 - (4) Compensability issues
 - (5) Fraudulent or abusive acts or practices
 - (6) Coverage issues
 - (7) Medical severity

EXHIBIT 23

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

E. EARLY INTERVENTION FOR LOST-TIME OR POTENTIAL LOST-TIME CLAIMS

2. Early Intervention

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

b. Three-Point Contact

The injured worker, employer, and medical practitioner(s) must be contacted in accordance with PS 5-E-2-a as follows:

(1) Injured Worker

Contact the injured worker (when appropriate) to:

(a) Obtain a profile that must include, but is not limited to, the injured worker's:

- Address
- Date of birth
- Occupation
- Marital status
- Social Security number
- Number of dependents and their:
 - Name(s)
 - Occupation(s)
 - Date(s) of birth

(b) Confirm:

- Facts of the injury
- Medical history or prior injuries
- Work history
- Current wages
- Job duties
- Salary continuation

(c) Provide an explanation/full disclosure of benefits

(d) Establish the foundation for the injured worker's safe and timely return to work

(2) Employer and Other Witness(es)

(a) Contact the employer and ~~witness(es)~~ to:

- Verify accident facts
- Obtain description of job duties
- Determine prior injury information
- Involve the employer in a safe and timely return-to-work plan in accordance with PS 5-F-6-c, subsections (4), (5), and (6)
- Determine salary continuation

(b) Contact witness(es) to:

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 23 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

E. EARLY INTERVENTION FOR LOST-TIME OR POTENTIAL LOST-TIME CLAIMS

2. Early Intervention

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

- Verify accident facts

(3) Medical Practitioners

(a) Contact the treating medical practitioner(s) and/or physician(s) (when appropriate) to establish initial contact and request their procedures for obtaining the following information:

- Diagnosis and prognosis
- Treatment plan
- Causal relationship
- Medical history
- Safe and timely return-to-work plan

(b) ~~Within two business days of the assigned carrier's knowledge of the procedure, t~~The assigned carrier must adhere to the medical staff's procedure for obtaining medical information, allowing sufficient time to make appropriate and timely decisions.

EXHIBIT 24

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

1. Compensability and Coverage Determination

a. Investigation

(1) The overall completeness of an investigation of a lost-time case is based on:

- Severity of injury
- Potential extent of disability
- Questions of compensability, jurisdiction, and/or medical causal relationship
- Fatal injuries
- Employer liability actions
- Applicable claims laws

(2) When necessary, statements must be promptly taken from the injured worker, the employer/supervisor, and/or witnesses.

(3) If recorded statements are taken, they do not need to be transcribed initially, provided a clear and legible summary detailing the relevant points is prepared at the time the statements are taken.

(4) Verify and document that the injured worker's average wage is consistent with jurisdictional requirements using payroll and/or tax records for salaried, hourly, seasonal, or piecemeal workers, or owners, partners, and officers. For owners, partners, or officers, the average wage may also be verified using premium-based payroll.

(5) Investigations should include "Inquiry Reports" to and/or from other insurers/administrators when appropriate.

(6) Investigation of assigned claims must be substantially completed within 30 days following assignment.

b. Documentation

Assigned carriers must:

(1) Summarize the following items and activity:

- Coverage
- Date the claim was assigned to a claims handler ~~Assignment date~~
- Accident data and description
- Liability and medical investigation
- Subrogation/second injury fund and/or apportionment potential
- Disability status
- Prior and/or subsequent related injuries or health conditions
- Need for physical and/or vocational rehabilitation
- Employer's liability exposure
- Compensability judgment

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 24 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise
noted in the state-specific exhibits)

- Identification of outstanding issues as well as plans for future handling
 - Contact log
- (2) Complete items in *Performance Standard* 5-F-1-b-1 at intervals consistent with the injury severity and the extent of disability

c. Notification and Reporting

Assigned carriers must:

- (1) ~~Assigned carriers must p~~Provide and update required reports to appropriate state and federal administrative agencies in accordance with the agency requirements.
- (2) ~~Assigned carriers must s~~Submit all lost-time injury claims to the Insurance Services Office (ISO). Claims should be reindexed as appropriate, based on sound claims judgment. In addition, permanent total claims and scheduled loss awards may also be reindexed based on sound claims judgment. Document any use of information developed as a result of an ISO inquiry.
- (3) ~~If denial of compensability and/or liability is in order, e~~Ensure that prompt and legally sufficient denial is made to proper parties in situations where denial of compensability and/or liability is in order. This must be followed up with timely administrative filings where required, providing vigorous defense for nonmeritorious claims.
- (4) ~~Notify t~~The underwriter ~~must be immediately notified concerning~~ of any coverage or classification issues that surface as a result of an injury or illness report.
- (5) ~~Thoroughly investigate a~~Any claim filed by any employee of an uninsured entity affiliated with or owned by an insured entity ~~must be thoroughly investigated~~ to determine proper coverage and compensability. At a minimum, The review must include, but is not limited to, a review of the original insurance application for insurance to determine if whether the uninsured affiliate has insurance through some other source. The underwriter must be immediately notified of the results of the review in order to take immediate appropriate action under the existing policy. The action(s) includes but is not limited to:
 - (a) Endorsing the policy to include or exclude coverage for the affiliate
 - (b) Initiating cancellation
- (6) Establish a program so that the employer can contact the carrier 24 hours a day for the immediate reporting and investigation of severe/catastrophic injuries.

**EXHIBIT 24 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS**

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

4. Reserving

Assigned carriers must:

- a. Establish timely and adequate medical and indemnity reserves consistent with all known claim factors and information developed.
- b. Use the tables authorized by the applicable law or prescribed by the appropriate Statistical Plan to report indemnity reserves on fatal and permanent total cases that have the potential for lifetime benefits.
- c. Document the items considered when establishing cost estimates including, but not limited to:
 - (1) Proper application of:
 - Discount and escalation for state and federal cases and medical reserves
 - State and federal offsets including, but not limited to, Second Injury Fund
 - Earning offsets
 - (2) Any liability resulting from a companion claim
 - (3) Interest accrual
 - (4) Compensability
- d. Revise medical and/or indemnity reserves within a reasonable time after developments occur that change the ultimate loss exposure. Developments include, but are not limited to:
 - Changes in the tables authorized by the applicable law or prescribed by the appropriate Statistical Plan
 - The claim, or any part thereof, is declared noncompensable, ~~or other compensability considerations~~
 - The assigned carrier or claimant has received, or anticipates receipt of, reimbursement from a second injury fund or similar type fund
 - Other compensability considerations
- e. Document the basis for cost estimate changes either by hard copy or electronically, using reserve worksheets or other appropriate means.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS**EXHIBIT 24 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS****F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

5. Medical Care and Cost Control

- a. Activate an integrated medical management program that includes, but is not limited to, where ~~required or permitted~~ not prohibited by applicable law:
- Preaccident medical care arrangements that must include, but are not limited to, Preferred Provider Organizations (PPOs), Preferred Provider Networks (PPNs), Managed Care Organizations (MCOs), and other similar arrangements; these must be accredited through recognized accreditation organizations
 - Timely reporting of accidents
 - ~~PPO/PPN/MCO and similar arrangements; these should be accredited through recognized accreditation organizations.~~
 - Peer review
 - Utilization review
 - Hospital precertification/preadmission review, consistent with the severity of injury
 - Return-to-work programs
 - Physical rehabilitation case management and catastrophic case management, consistent with the severity of injury and extent of disability
- b. Obtain periodic reports from the treating physician(s) and/or other medical practitioners documenting the status of the worker's injury and disability and for use in conjunction with medical bill screening.
- c. Screen all medical bills to ensure that treatment is related to the injury and charges are reasonable and necessary, utilizing fee schedules, PPO/PPN/MCO and similar entities, relative value studies, and/or usual and customary rates to reduce billed amounts accordingly.
- d. Where questions of compensability, liability, necessity, or reasonableness:
- (1) Do not exist, and physician reports have been received, pay all bills within 30 days of receipt or earlier if applicable law so provides.
 - (2) Exist, notify the medical provider/vendor within 30 days of receipt, explaining the reasons for the need for further information or investigation.
- e. Where not prohibited by applicable law, the assigned carrier will provide the employer with a list of physicians and/or medical providers experienced in industrial medicine and managed care concepts.
- f. ~~e- f.~~ For occupational disease claims, PS 5-F-5-e applies in addition to PS 5-F-5-a through PS 5-F-5-d, and the assigned carrier must:
- (1) Develop a medical history relevant to the claim including the names and addresses of all medical providers, and:
 - (a) Obtain information on all surgical procedures, hospital admissions, and, if the injured worker is deceased, obtain information on any autopsy and death certificates
 - (b) Secure the injured worker's medical examination reports including, but not limited to, the interpretation of X-rays, pulmonary function tests, and blood gas studies

EXHIBIT 24 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

- (c) Verify the quality and accuracy of the injured worker's objective tests, and arrange for medical information relative to the claim to confirm the diagnosis
 - (d) Verify that the injured worker's medical evidence is in compliance with applicable regulations
 - (e) Consider an independent medical examination where there are questions of disability, causal relationship, reasonableness and necessity of treatment, or where reports of treating physicians do not adequately resolve these questions
- (2) Develop relevant information about the habits and activities of the claimant including, but not limited to:
- (a) Military service and/or other employment
 - (b) Use of tobacco products and alcohol consumption
 - (c) Hobbies

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS**EXHIBIT 24 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS****F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

6. Indemnity and Disability Management

Assigned carriers must:

- a. Arrange for medical care consistent with diagnostic and treatment guidelines and/or current medical practice patterns to treat and cure the injury or illness.
- b. Promote, through documented preaccident medical care arrangements, treatment by physicians and/or other medical practitioners experienced in occupational medicine and managed care concepts, where permitted by applicable law.
- c. Depending on the case circumstances and consistent with sound claims judgment and the applicable law, initiate, determine, and/or implement the following:
 - (1) ~~Establish a~~ working relationship with all parties to control disability through:
 - Ongoing contact with the injured worker, employer, and physician at intervals consistent with the injury severity and the extent of disability.
 - Establishing a return-to-work target date.
 - Promptly adjusting return-to-work strategies as conditions change. Consult with the employer, nurse case managers, or other physical rehabilitation managers to formulate a strategy to return the injured worker to the workforce.
 - Immediate involvement of medical case management on severe injuries.
 - Providing the treating physician with a complete job description and/or videotape of the job, when necessary, to facilitate an objective evaluation of the injured worker's ability to return to the work.
 - (2) Document consideration of, or use of, independent medical examinations (where allowed by the applicable law) when reports from the treating physician are not forthcoming or questions exist regarding:
 - Disability
 - Causal relationship
 - Need for surgery
 - Existing treatment
 - (3) Document consideration of, or conduct, activity checks due to:
 - Length of disability
 - Suspicion of the injured worker exaggerating or prolonging disability, if the potential for intervening events exists (e.g., another injury, other employment)
 - (4) Investigate the availability of return to other employment, modified- or light-work duties consistent with medical restrictions if:
 - A safe return of the injured worker to the preinjury job position with the employer does not appear medically feasible, or
 - The job is unavailable

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 24 (CONT'D)

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

- (5) Provide assistance to the employer in the development of a transitional and/or modified job, when necessary.
- (6) Consistent with the applicable law, provide vocational rehabilitation in the form of:
 - Alternative work
 - Modified work
 - Job placement
 - On-the-job training
 - Education
- d. Document and timely pay all benefit payments made in accordance with applicable laws.
- e. Conduct dependency checks at least every 12 months to determine, if applicable, whether the:
 - (1) Injured worker is still alive
 - (2) Widow/widower has remarried
 - (3) Current dependents still qualify to be dependent

EXHIBIT 25
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 5—CLAIMS
H. SPECIAL CONDITIONS—OCCUPATIONAL DISEASE CLAIMS

3. Investigation

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

e. Continuing Items of Investigation

(1) When a claim is accepted and/or awarded:

(a) Activity/dependency checks must be performed at least once every three years in person, and should also be considered annually via telephone or written correspondence (~~mail, email, or fax~~), to determine, if applicable, whether the:

- 1) Injured worker is still alive
- 2) Injured worker is working, disabled, or retired
- 3) Widow/widower has remarried
- 4) Current dependents still qualify to be dependent

(b) Determine if the initial and ongoing payments were made in accordance with the applicable laws

(c) At least once a year, assigned carriers must review and document a plan of action for awarded claims

(2) At least every 90 days, assigned carriers must review nonaccepted and/or nonawarded active claims, and document a plan of action identifying outstanding issues as well as plans for future handling. If a nonaccepted and/or nonawarded active claim is not reviewed every 90 days, document the reason(s) for the exception.

**EXHIBIT 26
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

A. TIMELINESS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

2. Preliminary Physical Audits (PPA) or Interim Audits

a. PPAs are performed for qualifying employers in accordance with PS 6-C as follows:

(1) All ~~preliminary physical audits (PPAs)~~ must be completed within 90 days of policy effective date or receipt of assignment by the assigned carrier, whichever is later, with the date of receipt being maintained in the file.

(2) The assigned carrier must conduct a PPA within 75 days of the endorsement issuance date if, at issuance, the policy:

(a) Did not qualify for a PPA, and

(b) Is subsequently endorsed within 90 days of policy effective date, and

(c) Now meets the PPA requirement

(3) The assigned carrier is not required to conduct a PPA if, at issuance, the policy:

(a) Qualified for a PPA, and

(b) Is subsequently endorsed within 90 days of policy effective date, and

(c) No longer meets the PPA requirement

b. Interim audits are performed at the assigned carrier's discretion.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 26 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

A. TIMELINESS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

5. Cancelled and Reinstated Policies

Audits of cancelled and reinstated policies must be completed in accordance with the Cancelled and Reinstated Policies Audit Table.

Cancelled and Reinstated Policies Audit Table

If a policy . . .	And . . .	Then . . .
Cancels within 90 days of the policy effective date	A PPA has not been conducted	A PPA is not required and a final audit must be conducted in accordance with PS 6-A-3 and 6-C-2.
	A PPA has been conducted	A final physical ₁ audit is not required and a mail ₁ or telephone audit must be conducted in accordance with PS 6-A-3.
Qualified for a PPA and: <ul style="list-style-type: none"> Was in cancellation status but did not cancel Cancelled but was reinstated with a lapse Cancelled but was reinstated without a lapse 	A PPA has not been conducted on that qualifying policy	The time requirements of PS 6-A-2 are extended for the number of days the policy was in cancellation status plus any lapse, with the lapse not exceeding 60 days.
Cancels more than 90 days from the policy effective date	N/A	All audits must be conducted in accordance with PS 6-A-3 and 6-C-2.
Cancels and is reinstated with a lapse	A final audit has not been conducted on the first short-term portion	The assigned carrier must complete a final audit covering the entire policy period between the original effective and expiration dates. Note: Premium cannot be charged for the lapsed coverage.
	A final audit has been conducted on the first short-term portion	The assigned carrier must complete a final audit covering the period from the effective date of reinstatement to the expiration date. Note: Premium cannot be charged for the lapsed coverage.

For more information about reinstating with lapses and rescission of cancellation, refer to **Basic Manual Rule 4-A-4-a(4)**.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 27
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

B. DOCUMENTATION AND UNCOOPERATIVE EMPLOYERS

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

1. Scheduling Attempts and Information Requests

- a. The assigned carrier must develop reasonable standard procedures for preliminary and final audits for:
 - Scheduling appointments for physical audits.
 - Obtaining audit information for mail or telephone audits. These procedures must include reasonable allowances for scheduling conflicts or other employer difficulties.
- b. Assigned carriers must make reasonable documented attempts to schedule physical audits or obtain audit information for mail or telephone audits. The attempts to begin scheduling appointments must be made early in the process to ensure the timeliness requirements in PS 6-A are met. These attempts must occur in accordance with PS 6-A. Documented initial and follow-up attempts include:
 - Written correspondence ~~(mail, email, or fax)~~
 - Telephone contact
 - Other procedures
- c. The order in which ~~the~~ attempts are to be made for mail, telephone, or physical audits ~~are~~ is to be completed in accordance with the Audit Attempt Table.

Audit Attempt Table

If an employer refuses or does not respond to a . . .	Then . . .
First inquiry or scheduling attempt for a preliminary physical or interim audit of a new policy	Send a second notice.
Second attempt for a preliminary physical or interim audit of a new policy	<ul style="list-style-type: none"> • Initiate cancellation procedures on the current policy in accordance with the applicable state laws for violation of policy provision. • Notify the Plan Administrator of the employer's noncompliance, in accordance with PS 1-C. <p>Note: Assigned carriers may make more than two attempts before initiating cancellation.</p>
First inquiry or scheduling attempt for a final audit	Send a second notice.
Second attempt for a final audit	<ul style="list-style-type: none"> • Initiate cancellation procedures on the current policy in accordance with the applicable state laws for violation of policy provision. • <u>Notify the Plan Administrator of the employer's noncompliance, in accordance with PS 1-C whether there is current coverage or not.</u> If there is no current coverage, notify the Plan Administrator of the employer's noncompliance, in accordance with PS 1-C.

Note: Assigned carriers must comply with eligibility and cancellation-related *Basic Manual* Rules 3-A-3, 4-A-3-b and 4-A-4-a(3), or other state specific WCIP rules, as well as PS 3-D.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 28
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

C. QUALIFYING EMPLOYERS

1. Preliminary Physical Audits (PPA)

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

a. New Business

PPAs must be completed in accordance with the PPA—New Business Table.

PPA—New Business Table

Premium Range	Governing Classification Codes									
\$50,000 and over	All employers, regardless of governing classification code.									
\$10,000 to \$49,999	0036	0037	0042	0050	0401	0917	1005	1016	1164	4165
	4320	4322	<u>1438</u>	<u>1463</u>	<u>1803</u>	<u>1925</u>	<u>2095</u>	<u>2111</u>	<u>2305</u>	<u>2402</u>
	<u>2585</u>	<u>2586</u>	2704	2702	2709	<u>2740</u>	<u>2759</u>	<u>2797</u>	<u>2802</u>	<u>2842</u>
	<u>2841</u>	<u>2881</u>	<u>2883</u>	3030	3040	<u>3041</u>	<u>3064</u>	3076	<u>3081</u>	<u>3479</u>
	3365	3400	3507	3632	<u>3635</u>	<u>3724</u>	<u>3726</u>	<u>3808</u>	<u>3822</u>	<u>3851</u>
	<u>3881</u>	4000	<u>4036</u>	<u>4130</u>	<u>4206</u>	<u>4243</u>	<u>4244</u>	<u>4273</u>	<u>4279</u>	<u>4299</u>
	<u>4420</u>	<u>4459</u>	<u>4470</u>	<u>4484</u>	4635	<u>4683</u>	<u>4771</u>	<u>5020</u>	<u>5022</u>	<u>5037</u>
	5040	5057	5059	5102	5146	5460	5183	5188	5490	<u>5494</u>
	5213	5215	5221	<u>5222</u>	5223	5348	<u>5402</u>	5403	5437	<u>5443</u>
	5445	<u>5462</u>	5472	5473	5474	5478	5479	<u>5480</u>	5506	<u>5507</u>
	<u>5508</u>	5535	5537	5551	5606	5610	5645	5703	6003	<u>6018</u>
	6204	6246	6247	6229	<u>6233</u>	<u>6235</u>	6306	6319	6325	6400
	7219	<u>7222</u>	<u>7225</u>	<u>7228</u>	<u>7229</u>	<u>7230</u>	7231	<u>7370</u>	7380	<u>7390</u>
	7538	7600	7605	7705	7720	<u>8006</u>	<u>8040</u>	8047	8048	<u>8106</u>
	8407	8227	8232	<u>8235</u>	<u>8263</u>	8264	8279	8292	<u>8293</u>	8350
	8380	8393	8742	8829	8833	8835	8842	8864	9014	<u>9045</u>
	9058	9082	9083	9084	9104	9178	9179	<u>9505</u>	9516	<u>9519</u>
	<u>9522</u>	<u>9534</u>								

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 28 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

C. QUALIFYING EMPLOYERS

1. Preliminary Physical Audits (PPA)

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

PPA—New Business Table (Cont'd)

Premium Range	Governing Classification Codes									
\$5,000 to \$9,999	<u>0401</u>	<u>1005</u>	<u>1016</u>	<u>1463</u>	<u>1925</u>	<u>2111</u>	<u>2402</u>	<u>2797</u>	<u>3081</u>	<u>3726</u>
	<u>4243</u>	<u>4244</u>	<u>4273</u>	<u>4279</u>	<u>4420</u>	<u>4470</u>	<u>4771</u>	<u>5020</u>	<u>5022</u>	<u>5057</u>
	<u>5059</u>	<u>5102</u>	<u>5183</u>	<u>5190</u>	<u>5191</u>	<u>5213</u>	<u>5215</u>	<u>5221</u>	<u>5222</u>	<u>5348</u>
	<u>5403</u>	<u>5437</u>	<u>5445</u>	<u>5474</u>	<u>5478</u>	<u>5479</u>	<u>5507</u>	<u>5508</u>	<u>5535</u>	<u>5537</u>
	<u>5551</u>	<u>5606</u>	<u>5640</u>	<u>5645</u>	<u>5703</u>	<u>6204</u>	<u>6217</u>	<u>6235</u>	<u>6325</u>	<u>6400</u>
	<u>7249</u>	<u>7225</u>	<u>7228</u>	<u>7229</u>	<u>7230</u>	<u>7390</u>	<u>7538</u>	<u>7600</u>	<u>8235</u>	<u>8279</u>
	<u>9014</u>	<u>9179</u>								
\$1 to \$4,999	At assigned carrier's discretion, based on sound underwriting judgment.									
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.									

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 29
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

C. QUALIFYING EMPLOYERS

2. Final Physical Audits

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

a. New Business

Final physical audits must be completed in accordance with the Final Physical Audit—New Business Table.

Final Physical Audit—New Business Table

Premium Range	Governing Classification Codes									
\$50,000 and over	All employers, regardless of governing classification code.									
\$5,000 to \$49,999	0036	0037	0042	0050	0401	0917	1005	1016	1164	4465
	1320	1322	1438	1463	1803	1925	2095	2111	2305	2402
	2585	2586	2704	2702	2709	2710	2759	2797	2802	2812
	2841	2881	2883	3030	3040	3041	3064	3076	3081	3179
	3365	3400	3507	3632	3635	3724	3726	3808	3822	3851
	3881	4000	4036	4130	4206	4243	4244	4273	4279	4299
	4420	4459	4470	4484	4635	4683	4771	5020	5022	5037
	5040	5057	5059	5102	5146	5160	5183	5188	5190	5191
	5213	5215	5221	5222	5223	5348	5402	5403	5437	5443
	5445	5462	5472	5473	5474	5478	5479	5480	5506	5507
	5508	5535	5537	5551	5606	5610	5645	5703	6003	6018
	6204	6216	6217	6229	6233	6235	6306	6319	6325	6400
	7219	7222	7225	7228	7229	7230	7231	7370	7380	7390
	7538	7600	7605	7705	7720	8006	8010	8017	8018	8106
	8107	8227	8232	8235	8263	8264	8279	8292	8293	8360
	8380	8393	8742	8829	8833	8835	8842	8864	9014	9015
	9058	9082	9083	9084	9101	9178	9179	9505	9516	9519
	9522	9534								

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 29 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

C. QUALIFYING EMPLOYERS

2. Final Physical Audits

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

Final Physical Audit—New Business Table (Cont'd)

Premium Range	Governing Classification Codes									
\$1,000 to \$4,999	<u>0401</u>	<u>1005</u>	<u>1016</u>	<u>1463</u>	<u>1925</u>	<u>2111</u>	<u>2402</u>	<u>2797</u>	<u>3081</u>	<u>3726</u>
	<u>4243</u>	<u>4244</u>	<u>4273</u>	<u>4279</u>	<u>4420</u>	<u>4470</u>	<u>4771</u>	<u>5020</u>	<u>5022</u>	<u>5057</u>
	<u>5059</u>	<u>5102</u>	<u>5183</u>	<u>5190</u>	<u>5191</u>	<u>5213</u>	<u>5215</u>	<u>5221</u>	<u>5222</u>	<u>5348</u>
	<u>5403</u>	<u>5437</u>	<u>5445</u>	<u>5474</u>	<u>5478</u>	<u>5479</u>	<u>5507</u>	<u>5508</u>	<u>5535</u>	<u>5537</u>
	<u>5551</u>	<u>5606</u>	<u>5640</u>	<u>5645</u>	<u>5703</u>	<u>6204</u>	<u>6217</u>	<u>6235</u>	<u>6325</u>	<u>6400</u>
	<u>7249</u>	<u>7225</u>	<u>7228</u>	<u>7229</u>	<u>7230</u>	<u>7390</u>	<u>7538</u>	<u>7600</u>	<u>8235</u>	<u>8279</u>
	<u>9014</u>	<u>9179</u>								
\$1 to \$999	At assigned carrier's discretion, based on sound underwriting judgment.									
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.									

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 30
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS**

C. QUALIFYING EMPLOYERS

2. Final Physical Audits

(Applies in: AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AR, GA, IN, KS, MS, NH, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

c. Renewal Business

Final physical audits must be completed in accordance with the Final Physical Audit—Renewal Business Table.

Final Physical Audit—Renewal Business Table

Premium Range	Governing Classification Code									
\$20,000 and over	All employers, regardless of governing classification code, every third year.									
\$1,000 to \$19,999	<u>0401</u>	<u>1005</u>	<u>1016</u>	<u>1463</u>	<u>1925</u>	<u>2111</u>	<u>2402</u>	<u>2797</u>	<u>3081</u>	<u>3726</u>
	<u>4243</u>	<u>4244</u>	<u>4273</u>	<u>4279</u>	<u>4420</u>	<u>4470</u>	<u>4771</u>	<u>5020</u>	<u>5022</u>	<u>5057</u>
	<u>5059</u>	<u>5402</u>	<u>5483</u>	<u>5490</u>	<u>5494</u>	<u>5213</u>	<u>5215</u>	<u>5221</u>	<u>5222</u>	<u>5348</u>
	<u>5403</u>	<u>5437</u>	<u>5445</u>	<u>5474</u>	<u>5478</u>	<u>5479</u>	<u>5507</u>	<u>5508</u>	<u>5535</u>	<u>5537</u>
	<u>5551</u>	<u>5606</u>	<u>5640</u>	<u>5645</u>	<u>5703</u>	<u>6204</u>	<u>6217</u>	<u>6235</u>	<u>6325</u>	<u>6400</u>
	<u>7249</u>	<u>7225</u>	<u>7228</u>	<u>7229</u>	<u>7230</u>	<u>7390</u>	7538	7600	<u>8235</u>	<u>8279</u>
	<u>9014</u>	<u>9179</u>								
\$1 to \$999	At assigned carrier's discretion, based on sound underwriting judgment.									
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.									

EXHIBIT 31
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 6—AUDITS

C. QUALIFYING EMPLOYERS

2. Final Physical Audits

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

d. **Exception to Final Physical Audit at the Employer's Location—Renewal Business Table**

A final physical audit may be conducted by electronic means rather than on-site at the employer's location, based on the assigned carrier's sound underwriting judgment, if the following conditions are met:

- The employer is technologically capable of submitting and is willing to submit electronically
- The employer submits the following via a secure website, email, or other electronic means:
 - Verifiable payroll
 - Tax information (including tax returns)
 - Photos and/or videos for a valid description of operations
 - Other requested information

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 32
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 7—BILLING AND COLLECTION OF PREMIUM**

A. BILLING PROCEDURES

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

3. Receipt of Premium

Premium must be posted to the policy, regardless of when the funds clear, in accordance with the following tables.

Receipt of Premium Table 1

If the payment is submitted by regular mail and the envelope containing the payment has . . .	Then, the received date is the date of the . . .
A legible US postmark	Postmark
An illegible US postmark	Receipt of the payment
A meter mark only	Receipt of the payment
Internet postage with a legible cancellation stamp	Cancellation stamp
Internet postage without a cancellation stamp or an illegible cancellation stamp	Receipt of the payment

Receipt of Premium Table 2

If the payment is submitted by overnight mail and . . .	Then, the received date is the date of the . . .
The package containing the payment has proof of mailing that can be verified	The date the payment was sent
The package containing the payment does not have proof of mailing or proof of mailing cannot be verified	Receipt of the payment
Proof of mailing (e.g., certified mail receipt) can be obtained	Postmark
Proof of mailing cannot be obtained	Receipt of the payment

Receipt of Premium Table 3

If the payment is submitted . . .	Then, the received date is the date of the . . .
Electronically (including but not limited to online bank payments)	Employer's electronic submission
Telephone	Telephone submission

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 32 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 7—BILLING AND COLLECTION OF PREMIUM

A. BILLING PROCEDURES

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR,
SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise
noted in the state-specific exhibits)

4. Collection Attempts

In addition to the initial billing, the assigned carrier must complete all of the following within the billing cycle:

- a. ~~Make a minimum of At least~~ one written follow-up collection attempt must be made within the billing cycle.
- b. ~~Pursue In addition to the initial billing and one written follow-up collection attempt,~~ additional collection attempts that consist of:
 - Billing
 - Telephone contact
 - Cancellation notices, or
 - Other procedures
- c. ~~Make and document a telephone call to the employer oOn all accounts with an outstanding premium balance of \$10,000 or more, a documented telephone call to the employer must be made in addition to the initial billing and one written follow-up collection attempt.~~

5. Cancellation

- a. If the amount due is not received in accordance with the Receipt of Premium Tables by the end of the billing cycle, a cancellation notice must be issued no later than five business days from the end of the billing cycle, and must be in accordance with all applicable state laws, WCIP rules and PS 3-D.
- b. Cancellation notices issued for nonpayment cannot have a cancellation date earlier than the 46th day from the date of initial billing, and must be in accordance with state law timeliness requirements.
- c. Cancellations cannot occur if:
 - (1) The first payment has been received in accordance with written agreement to use a payment plan, or
 - (2) A bona fide dispute exists according to **Basic Manual** Rules 4-A-2-h and 4-A-10.
- d. The employer, producer, premium finance company, Plan Administrator, regulators, known certificate holders, and/or other appropriate parties must be provided notices of cancellation detailing the specific reason for cancellation. Such notification must be in accordance with all applicable state laws, WCIP rules and PS 3-D.
- e. The assigned carrier must report noncompliance in accordance with PS 1-C.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 33
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES
A. BILLING PROCEDURES
(Applies in: AL, AR, CT, DE, GA, IA, IL, IN, KS, NC, NH, NJ, NV, SC, SD, VT)
(Regulatory approval required in: AR, DE, GA, IN, KS, NH, SD)
(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)**

3. Receipt of Funds

Funds must be posted to the policy, regardless of when the funds clear, in accordance with the following tables.

Receipt of Funds Table 1

If the payment is submitted by regular mail and the envelope containing the payment has . . .	Then, the received date is the date of the . . .
A legible US postmark	Postmark
An illegible US postmark	Receipt of the payment
A meter mark only	Receipt of the payment
Internet postage with a legible cancellation stamp	Cancellation stamp
Internet postage without a cancellation stamp or an illegible cancellation stamp	Receipt of the payment

Receipt of Funds Table 2

If the payment is submitted by overnight mail and . . .	Then, the received date is the date of the . . .
The package containing the payment has proof of mailing that can be verified	The date the payment was sent
The package containing the payment does not have proof of mailing or proof of mailing cannot be verified	Receipt of the payment
Proof of mailing (e.g., certified mail receipt) can be obtained	Postmark
Proof of mailing cannot be obtained	Receipt of the payment

Receipt of Funds Table 3

If the payment is submitted . . .	Then, the received date is the date of the . . .
Electronically (including but not limited to online bank payments)	Employer's electronic submission
Telephone	Telephone submission

EXHIBIT 34

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES**

B. COLLECTION PROCEDURES

(Applies in: AL, AR, CT, DE, GA, IA, IL, KS, NC, NH, NJ, NV, SC, SD, VT)

(Regulatory approval required in: AR, DE, GA, KS, NH, SD)

(Exhibit comment: All current state exceptions will continue to apply unless otherwise noted in the state-specific exhibits)

1. Servicing Carriers

The servicing carrier must consider all outstanding deductibles for each quarter to determine the deductible amount past due.

a. Past Due Deductibles \$999 or Under

Collection of deductibles should be referred to the servicing carrier's specialized in-house collection unit, if any, or to an ~~approved~~ external collection agency for further collection activity.

b. Past Due Deductibles of \$1,000 or Over

- (1) Collection of deductibles should be referred to the servicing carrier's specialized in-house collection unit, if any, or to an ~~approved~~ external collection agency for further collection activity.
- (2) If the servicing carrier chooses to refer an account to its in-house collection unit, such unit is allotted 60 days from the date of the referral to collect the balance due or reach an acceptable settlement with the insured.
- (3) In-house uncollectible accounts aged more than 60 days from the date of in-house referral must transfer the account to an ~~approved~~ collection agency for further collection activity.

*Refer to NCCI's **Servicing Carrier Reference Guide** for more information about:*

- ~~Approved~~ collection agencies
- ~~Financial and uncollectible reporting~~
- ~~Indemnification procedures~~
- ~~Litigation~~

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 35
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX A**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

A. SUMMARY TIME TABLE

The following table summarizes some of the frequently referenced *Performance Standards*. This chart is not a complete listing of all *Performance Standards*. In accordance with PS 1-A-2-c(2), except where otherwise indicated, all time periods are calendar days. Assigned carriers must refer to the applicable *Performance Standards* for complete details of the specific item below and all other national and state specific applicable *Performance Standards*.

ITEM	TIME FRAME	PERFORMANCE STANDARD REFERENCE
PERFORMANCE STANDARD 1—INTRODUCTION		
Report all noncompliance transactions	5 business days	1-C-4-a
Report all compliance transactions	5 business days	1-C-7-a
PERFORMANCE STANDARD 2—CUSTOMER SERVICE		
General employer requests except including loss records	4410 days	2-A-1-a and b
Employer requested loss records	20 days	2-A-1-e
Other employer requests	<ul style="list-style-type: none"> • 14 days (initial response) • 45 days (resolution) 	<ul style="list-style-type: none"> • 2-B-1 • 2-B-3
PERFORMANCE STANDARD 3—UNDERWRITING		
New business welcome letter	5 business days	3-A-2-a
New business policy issuance	30 days	3-A-2-d
Renewal proposal Nonrenewal notice	60 days 60 days	3-A-3-a(1) <u>a</u>
Renewal policy issuance	30 days	3-A-3-c(1)
Midterm policy endorsement <ul style="list-style-type: none"> • Employer-initiated • Carrier determination • Carrier-initiated 	<ul style="list-style-type: none"> • 2014 days • 30 days • 50 days 	<ul style="list-style-type: none"> • 3-C-2-a(1) • 3-C-1-c • 3-C-2-b(1)
Cancellation	5 business days	3-D-1-a and 3-D-2-a
Reinstatement/rescission of cancellation notices	5 business days	3-E
Certificates of Insurance	5 business days	3-F-1

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 35 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX A**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

ITEM	TIME FRAME	PERFORMANCE STANDARD REFERENCE
PERFORMANCE STANDARD 4—LOSS PREVENTION		
Cancellation due to: • Scheduling • Critical recommendations	• 2 attempts within 60 days • 61–90 days	• 4-A-2-c(1) • 4-A-2-c(2)
Employer-requested services	• 44 <u>10</u> days (initial response) • 45 <u>30</u> days (completion)	• 4-B-1-a • 4-B-1-b
Completion of LPS	120 days	PS 4-B-2-b and c
Recommendations • Provide to employer • Follow-up on critical recommendations	• 30 days • 30 days (initial)/30–60 days (follow-up)	• 4-C-1-a • 4-C-2
PERFORMANCE STANDARD 5—CLAIMS		
Determine claim type	1 business day	5-C-2
Medical-only and lost-time claims not exceeding the applicable waiting period—pay or request more information	30 days	5-D-6
Early intervention for lost-time or potential lost-time claims • Assignment • Early Intervention	• 1 business day • 2/1/1 business days	• 5-E-1 • 5-E-2-a
Substantially complete compensability and coverage investigation	30 days	5-F-1-a(6)
Initial payment of indemnity benefits on compensable claim	14 days	5-F-3
Medical care and cost control—pay or request more information	30 days	5-F-5-d
Dependency checks	Every 12 months	5-F-6-e

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 35 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX A**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

ITEM	TIME FRAME	PERFORMANCE STANDARD REFERENCE
<p>Special conditions—occupational disease claims</p> <ul style="list-style-type: none"> • Assign claim number and establish date of loss • Verify coverage • Accepted and/or awarded claims <ul style="list-style-type: none"> • Perform activity checks • Review and document a plan of action • Review nonaccepted/ nonawarded active claims and document a plan of action 	<ul style="list-style-type: none"> • 1 business day • 5 days • At least once every three years • At least once a year • At least every 90 days 	<ul style="list-style-type: none"> • 5-H-3-a(1) • 5-H-3-a(2) • 5-H-3-e(1)(a) • 5-H-3-e(1)(c) • 5-H-3-e(2)

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 35 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX A**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

ITEM	TIME FRAME	PERFORMANCE STANDARD REFERENCE
PERFORMANCE STANDARD 6—AUDITS		
Employer-requested audits	90 days	6-A-1-b
Completion of PPA	<ul style="list-style-type: none"> • 90 days (policy effective date or receipt) • 75 days (endorsement) 	<ul style="list-style-type: none"> • 6-A-2-a(1) • 6-A-2-a(2)
Completion of Final Audits	75 days	6-A-3-b
PERFORMANCE STANDARD 7—BILLING AND COLLECTION OF PREMIUM		
Billing cycle	45 days	7-A-1
Billing statements <ul style="list-style-type: none"> • Additional premium of \$100 or greater • Installments • Renewal deposit premium 	<ul style="list-style-type: none"> • 15 days • 30 days • 30 days 	<ul style="list-style-type: none"> • 7-A-2-c • 7-A-2-d • 7-A-2-e
Receipt of premium	See Receipt of Premium Tables	7-A-3
Collection attempts	1 within billing cycle (<u>written</u>)	7-A-4
<u>Non-pay Cancellation notice</u>	5 business days	7-A-5
Return premium	15 days	7-A-6
Collection agency referral	10 business days	7-B-1-b
PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES		
Billing cycle	45 days	8-A-1
Billing statements	Quarterly	8-A-2-b
Receipt of funds	See Receipt of Funds Tables	8-A-3
Collection attempts	1 within billing cycle	8-A-4
Cancellation	5 business days	8-A-5-a
In-house collections	60 days	8-B-1-b(2)

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 36
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX B**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

B. LOSS PREVENTION SURVEY (LPS)—RENEWAL POLICY EXAMPLES

PS 4-B-2-a(2)

Examples of the timing and frequency for determining the completion of a loss prevention survey for a policyholder with the same carrier.

For all examples:

N = Not a qualifying employer

Q = Qualifying employer

Example 1:

Policy Year	Qualification	Action
1	N	An LPS is not required.
2	Q	Employer qualifies for the first time. Therefore, an LPS must be conducted.
3	Q	The employer again qualifies. Review prior 2 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 2. Therefore, an LPS is not required in policy year 3.
4	N	An LPS is not required.
5	N	An LPS is not required.
6	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was not conducted in policy years 3, 4, and 5. Therefore, an LPS must be conducted.
7	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 6. Therefore, an LPS is not required in policy year 7.

Example 2:

Policy Year	Qualification	Action
1	Q	Employer initially qualifies. Therefore, an LPS must be conducted.
2	Q	The employer again qualifies. Review prior year to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 2.
3	Q	The employer again qualifies. Review prior 2 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 3.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 36 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX B**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

Policy Year	Qualification	Action
4	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 4.
5	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was not conducted in policy years 2, 3, and 4. Therefore, an LPS must be conducted.
6	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 5. Therefore, an LPS is not required in policy year 6.
7	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 5. Therefore, an LPS is not required in policy year 7.

Example 3:

Policy Year	Qualification	Action
1	N	An LPS is not required.
2	Q	Employer qualifies for the first time; therefore a <u>An</u> LPS must be conducted.
3	Q	The employer again qualifies. Review prior 2 years to determine if an LPS was conducted. In this instance, an LPS was conducted in policy year 2. Therefore, an LPS is not required in policy year 3.
4	N	An LPS is not required.
5	N	An LPS is not required.
6	N	An LPS is not required.
7	Q	The employer again qualifies. Review prior 3 years to determine if an LPS was conducted. In this instance, an LPS was not conducted in policy years 3 , 4, 5 and 6. Therefore, an LPS must be conducted in policy year 7.

Example 4:

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 36 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX B**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

<u>Policy Year</u>	<u>Qualification</u>	<u>Action</u>
<u>1</u>	<u>Q</u>	Employer initially qualifies. An LPS must be conducted.
<u>2</u>	<u>N</u>	The employer does not qualify. Review prior year to determine whether an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 2.
<u>3</u>	<u>N</u>	The employer does not qualify. Review prior 2 years to determine whether an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 3.
<u>4</u>	<u>Q</u>	The employer again qualifies. Review prior 3 years to determine whether an LPS was conducted. In this instance, an LPS was conducted in policy year 1. Therefore, an LPS is not required in policy year 4.
<u>5</u>	<u>N</u>	An LPS is not required.
<u>6</u>	<u>Q</u>	The employer again qualifies. Review prior 3 years to determine whether an LPS was conducted. In this instance, an LPS was not conducted in policy years 3, 4, and 5. Therefore, an LPS must be conducted in policy year 6.
<u>7</u>	<u>Q</u>	The employer again qualifies. Review prior 3 years to determine whether an LPS was conducted. In this instance, an LPS was conducted in policy year 6. Therefore, an LPS is not required in policy year 7.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 37
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX C**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

C. THREE-YEAR AUDIT CYCLE EXAMPLES

PS 6-A-4-a

Examples of the timing and frequency for determining the completion of a final physical audit for a renewal policy, assuming an individual policyholder with the same carrier. If a final physical audit is not performed, a mail or telephone audit must be performed in accordance with PS 6-C-3.

For all examples:

N = Not a qualifying employer

Q = Qualifying employer

Example 1:

Policy Year	Qualification	Action
1	N	A final physical audit is not required.
2	Q	Employer qualifies for the first time. Therefore, a final physical audit must be conducted.
3	Q	The employer again qualifies. Review prior 2 <u>two</u> years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 2. Therefore, a final physical audit is not required in policy year 3.
4	N	A final physical audit is not required.
5	N	A final physical audit is not required.
6	Q	The employer again qualifies. Review prior 3 <u>three</u> years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was not conducted in policy years 3, 4, and 5. Therefore, a final physical audit must be conducted in policy year 6.
7	Q	The employer again qualifies. Review prior 3 <u>three</u> years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 6. Therefore, a final physical audit is not required in policy year 7.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 37 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX C**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

Example 2:

Policy Year	Qualification	Action
1	Q	Employer initially qualifies. Therefore, a final physical audit must be conducted.
2	Q	The employer again qualifies. Review prior year to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 1. Therefore, a final physical audit is not required in policy year 2.
3	Q	The employer again qualifies. Review prior 2 two years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 1. Therefore, a final physical audit is not required in policy year 3.
4	Q	The employer again qualifies. Review prior 3 three years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 1. Therefore, a final physical audit is not required in policy year 4.
5	Q	The employer again qualifies. Review prior 3 three years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was not conducted in policy years 2, 3, and 4. Therefore, a final physical audit must be conducted in policy year 5.
6	Q	The employer again qualifies. Review prior 3 three years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 5. Therefore, a final physical audit is not required in policy year 6.
7	Q	The employer again qualifies. Review prior 3 three years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 5. Therefore, a final physical audit is not required in policy year 7.

Example 3:

Policy Year	Qualification	Action
1	N	A final physical audit is not required.
2	Q	Employer qualifies for the first time. Therefore, a final physical audit must be conducted.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 37 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
APPENDIX C**

(Applies in: AK, AL, AR, AZ, CT, DC, DE, GA, IA, ID, IL, IN, KS, MS, NC, NH, NJ, NV, OR, SC, SD, TN, VA, VT, WV)

(Regulatory approval required in: AK, AR, DE, GA, IN, KS, MS, NH, OR, SD)

Policy Year	Qualification	Action
3	Q	The employer again qualifies. Review prior 2 <u>two</u> years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was conducted in policy year 2. Therefore, a final physical audit is not required in policy year 3.
4	N	A final physical audit is not required.
5	N	A final physical audit is not required.
6	N	A final physical audit is not required.
7	Q	The employer again qualifies. Review prior 3 <u>three</u> years to determine if whether a final physical audit was conducted. In this instance, a final physical audit was not conducted in policy years 3 , 4, 5, and 6. Therefore, a final physical audit must be conducted in policy year 7.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALABAMA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>		
<u>\$20,000 to \$49,999</u>	<u>1473</u>	<u>4766</u>	<u>8353</u>

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS
(Regulatory approval required in: AK)

6. Determination of Compliance

Change PS 1-C-6 as follows:

- a. An employer is deemed compliant for any of the following reasons:
 - (1) Payment in full of all outstanding premium or deductible obligations.
 - (2) Receipt of first payment in accordance with written agreement to use a payment plan.
 - (3) Bona fide dispute is received as defined in **Basic Manual** Rule 4-A-2-h.
 - (4) Audit adjustment reduces the premium obligation to a zero or credit balance.
 - (5) Compliance with audit requirements or loss prevention survey recommendations.
 - (6) Agreement and scheduling of audit or loss prevention survey. If, after scheduling, the employer does not permit the audit or survey, and the carrier reports noncompliance, the employer is deemed compliant when the audit or survey is completed—not when the employer reschedules.
 - (7) Bankruptcy and the court-stamped petition and discharge order, if entered, including the complete list of creditors, are provided to the Plan Administrator with the application, and only if:
 - (a) The filed bankruptcy petition imposed an automatic stay against collection activities by the carrier(s) listed as a creditor for all outstanding workers compensation insurance premium obligations, and the bankruptcy trustee has ordered the employer/applicant to secure workers compensation insurance, or
 - (b) The bankruptcy court has entered a discharge order fully discharging all outstanding workers compensation insurance premium obligations owed by the employer/applicant to a carrier(s) included on the list of creditors
 - (8) Submission of required underwriting information (e.g., ERM-14 Forms)
- b. When multiple noncompliance issues occur, individual issues may be deemed compliant, but if there are any remaining noncompliant issues, the employer remains noncompliant.
- c. Compliance Effective Date
 - (1) If the employer becomes compliant for reasons not related to submitting outstanding premium or deductible payments, the compliance effective date is the date the employer is deemed compliant.
 - (2) If the employer submits the outstanding premium or deductible payment, the compliance effective date must be in accordance with PS 7-A-3 and PS 8-A-3, respectively.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)

3. Renewal Business
(Regulatory approval required in: AK)

a. Renewal or Nonrenewal Notices

Change PS 3-A-3-a(1) as follows:

- (1) ~~At least 45 days before expiration of the current policy, or the number of days required by state law, regulation, and/or rule if more stringent, t~~The assigned carrier must send a:
- a. ~~send a r~~Renewal proposal or nonrenewal notice, as appropriate, to the employer and the producer of record. This renewal proposal or nonrenewal notice must be sent at least 45 days before expiration of the current policy, or the number of days required by state law, regulation, and/or rule if more stringent.
 - b. Follow-up renewal proposal in addition to the standard renewal proposal. This follow-up renewal proposal must be issued within 10–30 days before expiration, if required payment has not been received.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
C. MIDTERM POLICY CHANGES
2. Endorsements
(Regulatory approval required in: AK)

b. Assigned Carrier-Initiated Premium Endorsements

Change PS 3-C-2-b(1) as follows:

(1) A change in exposure or payroll determined by any type of audit or by other verifiable means may result in the need to issue an additional premium endorsement. ~~In order to~~To make such a determination, recalculate the new estimated annual premium using the new exposure and payroll and compare it to the current policy's estimated annual premium. If the additional premium generated is at least \$500 or 25% of the most recent estimated annual premium of the current policy, whichever is the greater amount, the endorsement must be accurately issued within 60 days of the accurate determination of the exposures and payroll ~~by any of the following:-~~

- (a) Auditor's visit to the employer's location to conduct a physical audit
- (b) Carrier's receipt of a mail audits
- (c) Phone call with the employer to conduct a telephone audit
- (d) Any other verifiable means

EXHIBIT 41

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 4—LOSS PREVENTION

B. TIMELINESS AND PROCEDURES

2. Assigned Carrier-Initiated Loss Prevention Surveys (LPS)

(Regulatory approval required in: AK)

b. Basic Timeliness for Qualifying Employers and Locations

Change PS 4-B-2-b(1) as follows:

- (1) The assigned carrier must complete an LPS for all qualifying locations within 180 days of the policy effective date or receipt of assignment by the assigned carrier, whichever is later, with the date of receipt being maintained in the file.

Change PS 4-B-2-b(3) as follows:

- (3) The assigned carrier must complete an LPS within 180 days of the endorsement issuance date if, at policy issuance:
 - (a) The policy did not qualify for an LPS, and
 - (b) Is subsequently endorsed within 180 days of policy effective date, and
 - (c) Now meets the LPS requirement

Change PS 4-B-2-b(4) as follows:

- (4) The assigned carrier must complete an LPS on the renewal policy within 180 days of the policy effective date if:
 - (a) The current policy did not originally qualify for an LPS, and
 - (b) Is subsequently endorsed more than 180 days after policy effective date, and
 - (c) The current policy now meets the LPS requirement

Note: If the assigned carrier chooses to perform an LPS on the current policy, then an LPS on the renewal policy is not required.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
B. TIMELINESS AND PROCEDURES
2. Assigned Carrier-Initiated Loss Prevention Surveys (LPS)
(Regulatory approval required in: AK)

d. Cancelled and Reinstated Policies

Change the Cancelled and Reinstated Policies LPS Table as follows:

Cancelled and Reinstated Policies LPS Table

If a policy...	And...	Then...
Qualified for an LPS and: <ul style="list-style-type: none"> • <u>Was in cancellation status but did not cancel</u> • <u>Cancelled but was reinstated with a lapse</u> • <u>Cancelled but was reinstated without a lapse</u> 	<u>An LPS has not been conducted on that qualifying policy</u>	<u>The time requirements of PS 4-B-2-b and PS 4-B-2-c are extended for the number of days the policy was in cancellation status plus any lapse, with the lapse not exceeding 60 days.</u>

For more information about reinstating with lapses and rescission of cancellation, *refer to **Basic Manual Rule 4-A-4-a(4)***.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO AASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: AK)**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table

Premium Range	Governing Classification Codes									
\$35,000 and over	All employers, regardless of governing classification code.									
\$25,000 to \$34,999	<u>0016</u>	0037	0042	0050	<u>0079</u>	0083	0106	<u>0124</u>	0401	1005
	1016	1164	1165	1320	1322	<u>1430</u>	1438	<u>1452</u>	<u>1463</u>	1472
	1624	<u>1642</u>	<u>1654</u>	<u>1699</u>	<u>1701</u>	<u>1710</u>	4744	<u>1747</u>	<u>1748</u>	1803
	2014	2095	<u>2211</u>	<u>2402</u>	2702	<u>2703</u>	2710	2725	<u>2731</u>	2802
	2883	2916	<u>3004</u>	<u>3018</u>	<u>3027</u>	3030	<u>3040</u>	<u>3081</u>	<u>3082</u>	<u>3085</u>
	3336	<u>3365</u>	3507	<u>3620</u>	3632	<u>3719</u>	3724	<u>3726</u>	3824	4000
	<u>4021</u>	<u>4024</u>	<u>4034</u>	<u>4036</u>	<u>4207</u>	<u>4239</u>	4420	4544	<u>4568</u>	4581
	4583	4635	<u>4665</u>	<u>4670</u>	<u>4686</u>	<u>4740</u>	<u>4751</u>	4771	<u>4777</u>	<u>4825</u>
	4828	4829	<u>5020</u>	5022	5037	5040	5057	5059	5069	<u>5102</u>
	<u>5146</u>	<u>5160</u>	5183	<u>5188</u>	5190	5213	<u>5221</u>	<u>5222</u>	<u>5223</u>	5348
	5403	5437	5445	<u>5462</u>	<u>5472</u>	<u>5473</u>	5474	<u>5478</u>	<u>5480</u>	<u>5491</u>
	5506	<u>5509</u>	<u>5516</u>	5535	<u>5537</u>	5551	<u>5606</u>	5640	5645	<u>5703</u>
	<u>5705</u>	<u>6003</u>	<u>6005</u>	<u>6018</u>	<u>6045</u>	6204	<u>6206</u>	<u>6213</u>	<u>6214</u>	<u>6216</u>
	6217	<u>6229</u>	<u>6233</u>	6235	<u>6236</u>	<u>6237</u>	6251	6252	<u>6306</u>	6319
	<u>6325</u>	6702	6703	6704	<u>6811</u>	6834	6836	6854	6872	6874F
	6882	6884	7038	7050	7090	7098	7099	<u>7133</u>	7219	<u>7222</u>
	7225	<u>7232</u>	7309F	7317F	7350F	<u>7360</u>	7370	7405	<u>7414</u>	7420
	<u>7421</u>	7422	7425	7431	<u>7502</u>	7515	<u>7538</u>	7539	<u>7540</u>	<u>7580</u>
	<u>7600</u>	<u>7601</u>	<u>7605</u>	7640	7710	7711	<u>7720</u>	<u>7855</u>	8048	8024
	8106	<u>8107</u>	<u>8204</u>	8215	8227	<u>8232</u>	<u>8233</u>	<u>8264</u>	8265	8279
	8288	8292	8293	<u>8304</u>	<u>8350</u>	8380	<u>8385</u>	<u>8500</u>	<u>8606</u>	<u>8719</u>
	<u>8720</u>	<u>8721</u>	<u>8725</u>	<u>8755</u>	<u>8803</u>	8824	8826	8829	8834	8832
	8833	8835	8842	8864	8868	9044	9045	9046	<u>9019</u>	<u>9076</u>
9082	9083	9088	<u>9094</u>	<u>9456</u>	<u>9170</u>	9478	9180	9186	<u>9402</u>	
9403	<u>9516</u>	<u>9519</u>	<u>9521</u>	<u>9534</u>	<u>9554</u>					
\$1 to \$24,999	At assigned carrier's discretion, based on sound underwriting judgment.									
Experience Rating										

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 42 (CONT'D)
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 ALASKA EXCEPTIONS—APPLICABLE TO AASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 4—LOSS PREVENTION
 (Regulatory approval required in: AK)
 Loss Prevention Survey Table (Cont'd)**

Premium Range	Governing Classification Codes	
1.40 and higher, with an estimated annual premium of \$10,000 and over	<ul style="list-style-type: none"> • A documented written loss prevention contact must be made to inform the employer of loss prevention services that are available that could improve their workplace environment. • The assigned carrier must also review current loss information on these accounts to evaluate whether circumstances would warrant a physical loss prevention visit. 	
1.39 and lower	At assigned carrier's discretion, based on sound underwriting judgment.	
Claim Frequency	The assigned carrier must develop written procedures to identify and perform LPSs by comparing claim frequency with policy premium size during the course of the policy period.	

Add the following to the Location Determination Table:

Location Determination Table

If . . .	Then survey . . .
The employer's location(s) is/are remote and/or inaccessible	By telephone

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
B. DOCUMENTATION AND UNCOOPERATIVE EMPLOYERS
(Regulatory approval required in: AK)

4. Physical Audits

Add the following to PS 6-B-4:

- c. An assigned carrier may use a combination of mail and telephone audits and copies of submitted financial records in lieu of making a physical audit when the employer's records are located in an inaccessible area. For example, inaccessible areas may mean locations that are off the road system and/or only accessible by boat or plane.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 44
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 6—AUDITS
 C. QUALIFYING EMPLOYERS
 1. Preliminary Physical Audits (PPA)
 (Regulatory approval required in: AK)**

a. New Business

Change the PPA—New Business Table as follows:

PPA—New Business Table

Premium Range	Governing Classification Codes
\$50,000 and over	All employers, regardless of governing classification code.
\$15,000 to \$49,999	<ul style="list-style-type: none"> • All employers with a construction classification governing code • Any employer with Codes <u>0124</u>, 1005, 1016, 2104, 2122, 2702, 2703, 2740, 3365, 3724, 7024, 7219, 7222, 7225 <u>7601</u>, 8003, 8812, and 9078
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 45
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: AK)

c. Renewal Business

Change the Final Physical Audit—~~Renewal~~New Business Table as follows:

Final Physical Audit—Renewal Business Table

Premium Range	Governing Classification Codes
\$10,000 and over	All employers, regardless of governing classification code, every year.
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 46

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 7—BILLING AND COLLECTION OF PREMIUM

B. COLLECTION PROCEDURES

1. Servicing Carriers

(Regulatory approval required in: AK)

b. Outstanding Premium of \$1,000 and Over

Change 7-B-1-b as follows:

Alaska servicing carriers may use the approved collection agencies for National Pool collections, but they are not required to.

(1) Uncollectible accounts must be referred to a collection agency for further collection activity within 10 business days of the completion of the billing cycle unless:

(a) Potential for imminent settlement is reasonably certain, or

(b) The premium is in dispute, and the dispute is being actively resolved

(2) Preapproval is required from the Pool Administrator for referral directly to outside counsel instead of a collection agency.

Refer to NCCI's **Servicing Carrier Reference Guide** for more information about:

- Approved collection agencies
- Financial and uncollectible reporting
- Indemnification procedures
- Litigation

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 47

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ALASKA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
(Regulatory approval required in: AK)

PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES

Change PS 8 as follows:

PS 8 does not apply in Alaska.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms

~~k.~~ j. **Plan**

Change PS 1-A-4-~~kj~~ as follows:

Plan refers to NCCI's Workers Compensation Insurance Plan (WCIP), as defined in *Basic Manual* Rule 4-A-2-~~ybb~~ or applicable state workers compensation insurance plan.

~~m.~~ l. **Pool, NWCRA, or Association**

Change PS 1-A-4-~~ml~~ as follows:

Pool refers to the National Workers Compensation Reinsurance Association NFP (NWCRA or Association), a reinsurance pooling mechanism as defined by *Basic Manual* Rule 4-A-2-~~mn~~, or the applicable state reinsurance pooling mechanism.

EXHIBIT 39

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION

C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS

4. Noncompliance Reporting

Change PS 1-C-4 as follows:

- a. All noncompliance transactions must be reported to the Plan Administrator within five business days of the assigned carrier's determination that the employer is noncompliant.
- b. Assigned carriers must report and update noncompliance of policy terms and conditions electronically using one or both of the following data reporting options:

(1) **DGA Access[®] Online**NCCI's tool for reporting policy data

(2) WCPOLS Record Layout

For the form and manner in which the data must be reported, *refer to the **Workers Compensation Policy Data Reporting Manual and WCIO Workers Compensation Data Specifications Manual.***

- c. The Plan Administrator will reject any application submitted for a known noncompliant employer.
- d. If the Plan Administrator receives notification from a carrier of an employer's noncompliance, the Plan Administrator will notify the current assigned risk carrier, if any (and if different than the carrier reporting the noncompliance), that the employer is ineligible for continuing coverage. The current assigned carrier must then comply with cancellation requirements in accordance with **Basic Manual** Rules 3-A-3 and 4-A-4-a(3) and PS 3-D-2.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39 (CONT'D)
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS

6. Determination of Compliance

Change PS 1-C-6 as follows:

a. An employer is deemed compliant for any of the following reasons:

- (1) Payment in full of all outstanding premium or deductible obligations
- (2) Receipt of first payment in accordance with written agreement to use a payment plan
- (3) Bona fide dispute is received as defined in *Basic Manual* Rule 4-A-2-g
- (4) Bankruptcy and carrier is listed as a secured creditor for all outstanding premium obligations
- (5) Submission of required underwriting information (e.g., ERM-14s)

(6) **Audit and Loss Prevention**

(a) Agreement and scheduling of audit or loss prevention survey. If, after scheduling, the employer does not permit the audit or survey, and the carrier reports noncompliance, the employer is deemed compliant only when the audit or survey is completed—not when the employer reschedules.

(b) Compliance with audit requirements or loss prevention survey recommendations.

(c) Audit adjustment reduces the premium obligation to a zero or credit balance.

(d) **Audit Noncompliance Charge Exception:**

An assigned carrier may apply an Audit Noncompliance Charge (ANC) in accordance with *Basic Manual* rules. In such situations, an employer is not deemed compliant if the employer pays the ANC but does not allow the audit and/or does not comply with the audit requirements. Therefore, PS 1-C-6-a(6)(a) is not applicable and the employer is deemed noncompliant for audit purposes until the audit portion of PS 1-C-6-a(6)(b) is fulfilled.

b. When multiple noncompliance issues occur, individual issues may be deemed compliant, but if there are any remaining noncompliant issues, the employer remains noncompliant.

c. **Compliance Effective Date**

(1) If the employer becomes compliant for reasons not related to submitting outstanding premium or deductible payments, the compliance effective date is the date the employer is deemed compliant, in accordance with PS 1-C-6.

(2) If the employer submits the outstanding premium or deductible payment, the compliance effective date must be in accordance with PS 7-A-3 and 8-A-3, respectively.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	<u>0006</u>	<u>0017</u>	<u>4766</u>	<u>5650</u>
	<u>8353</u>	<u>8411</u>	<u>9177</u>	

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)

a. **New Business**

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes
\$10,000 to \$49,999	0017 5650
\$5,000 to \$9,999	0017

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$5,000 to \$49,999</u>	<u>0017</u> <u>5650</u>
<u>\$1,000 to \$4,999</u>	<u>0017</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

c. **Renewal Business**

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes
\$1,000 to \$19,999	0017

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 44

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARIZONA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES

Change PS 8 as follows:

PS 8 does not apply in Arizona.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARKANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: AR)

~~k.~~ j. **Plan**

Change PS 1-A-4-~~kj~~ as follows:

Plan refers to Arkansas' Workers Compensation Insurance Plan (WCIP), as defined in Arkansas *Basic Manual* Rule 4-A-2-bb.

~~l.~~ k. **Plan Administrator**

Change PS 1-A-4-~~lk~~ as follows:

Such organization or organizations to which the responsibility for administering the affairs of the Plan may, from time to time, be delegated, including, but not limited to, such functions and duties as rates, forms, and statistics.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARKANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: AR)**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$20,000 to \$49,999</u>	<u>2719</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARKANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)
(Regulatory approval required in: AR)

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$10,000 to \$49,999</u>	<u>2719</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ARKANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: AR)

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
\$5,000 to \$49,999	2719

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
CONNECTICUT EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	<u>5509</u>	<u>5604</u>	<u>7723</u>	<u>7731</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
CONNECTICUT EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)**

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes					
\$10,000 to \$49,999	<u>5509</u>	5604	7731			
\$5,000 to \$9,999	5604	7731				
\$3,000 to \$4,999	5403	5445	5474	5551	5645	7219
	<u>7225</u>					
\$1,250 to \$2,999	5474	5551	7219	<u>7225</u>		

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
CONNECTICUT EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes		
\$5,000 to \$49,999	5509	5604	7731
\$1,000 to \$4,999	5604	7731	

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
DELAWARE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: DE)

i. **Manuals Referenced in These Standards**

Add the following to PS 1-A:

References to manuals that do not apply in Delaware are to be construed to reference the appropriate Delaware manuals.

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
DELAWARE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
(Regulatory approval required in: DE)

5. Manuals Referenced in These Standards

Add the following to PS 1-A-5:

References to manuals that do not apply in Delaware are to be construed to reference the appropriate Delaware manuals.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION

DISTRICT OF COLUMBIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES

Change PS 8 as follows:

PS 8 does not apply in the District of Columbia.

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
GEORGIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business
(Regulatory approval required in: GA)

a. Renewal or Nonrenewal Notices

Change PS 3-A-3-a(1) as follows:

- (1) ~~At least 75 days before expiration of the current policy,~~ The assigned carrier must send a:
- a. ~~send a #Renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. This renewal proposal and/or nonrenewal notice must be sent at least 75 days before expiration of the current policy.~~
 - b. Follow-up renewal proposal in addition to the standard renewal proposal. This follow-up renewal proposal must be issued within 10–30 days before expiration, if required payment has not been received.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
GEORGIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: GA)**

D. Qualifying Employers and Survey Location Determination

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>			
<u>\$20,000 to \$49,999</u>	<u>1169</u>	<u>1473</u>	<u>1604</u>	<u>1751</u>
	<u>2705</u>	<u>7383</u>		

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
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GEORGIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)
(Regulatory approval required in: GA)

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes
\$10,000 to \$49,999	2705
\$5,000 to \$9,999	2705
\$4,000 to \$4,999	5403 5445 5474 5551 5645 7219 7225

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

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GEORGIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: GA)

a. **New Business**

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
\$5,000 to \$49,999	2705
\$1,000 to \$4,999	2705

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
GEORGIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: GA)

c. **Renewal Business**

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
\$1,000 to \$19,999	2705

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
IDAHO EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. Qualifying Employers and Survey Location Determination

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>	
<u>\$20,000 to \$49,999</u>	<u>0914</u>	<u>4766</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
IDAHO EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)

a. **New Business**

Add the following to the PPA—New Business Table:

PPA—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>	
<u>\$10,000 to \$49,999</u>	<u>0124</u>	<u>9078</u>
<u>\$5,000 to \$9,999</u>	<u>9078</u>	

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
IDAHO EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. **New Business**

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$5,000 to \$49,999</u>	<u>0124</u> <u>9078</u>
<u>\$1,000 to \$4,999</u>	<u>9078</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
IDAHO EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

c. **Renewal Business**

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes
\$1,000 to \$19,999	9078

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
IDAHO EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES

Change PS 8 as follows:

PS 8 does not apply in Idaho.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
ILLINOIS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. Qualifying Employers and Survey Location Determination

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$20,000 to \$49,999</u>	<u>4940</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: IN)

i. Manuals Referenced in These Standards

Add the following to PS 1-A-:

References to manuals that do not apply in Indiana are to be construed to reference the appropriate Indiana manuals.

m. I. Pool, NWCRA, or Association

Change PS 1-A-4-m] as follows:

The terms Pool, NWCRA, or Association as used in these *Performance Standards* are construed to mean “pool.” Pool refers to the Indiana Assigned Risk Reinsurance Pool.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
(Regulatory approval required in: IN)

5. Manuals Referenced in These Standards

Add the following to PS 1-A-5:

References to manuals that do not apply in Indiana are to be construed to reference the appropriate Indiana manuals.

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS
(Regulatory approval required in: IN)

6. Determination of Compliance

Change PS 1-C-6 as follows:

- a. An employer is deemed compliant for any of the following reasons:
 - (1) Payment in full of all outstanding premium or deductible obligations.
 - (2) Receipt of first payment in accordance with written agreement to use a payment plan.
 - (3) Bona fide dispute is received as defined in *Basic Manual* Rule 4-A-2-h.
 - (4) Audit adjustment reduces the premium obligation to a zero or credit balance.
 - (5) Compliance with audit requirements or loss prevention survey recommendations.
 - (6) Agreement and scheduling of audit or loss prevention survey. If, after scheduling, the employer does not permit the audit or survey, and the carrier reports noncompliance, the employer is deemed compliant when the audit or survey is completed—not when the employer reschedules.
 - (7) Bankruptcy, and the court-stamped petition and discharge order, if entered, including the complete list of creditors, are provided to the Plan Administrator with the application, and only if:
 - (a) The filed bankruptcy petition imposed an automatic stay against collection activities by the carrier(s) listed as a creditor for all outstanding workers compensation insurance premium obligations, and the bankruptcy trustee has ordered the employer/applicant to secure workers compensation insurance, or
 - (b) The bankruptcy court has entered a discharge order fully discharging all outstanding workers compensation insurance premium obligations owed by the employer/applicant to a carrier(s) included on the list of creditors.
 - (8) Submission of required underwriting information (e.g., ERM-14 Forms).
- b. When multiple noncompliance issues occur, individual issues may be deemed compliant, but if there are any remaining noncompliant issues, the employer remains noncompliant.
- c. Compliance Effective Date
 - (1) If the employer becomes compliant for reasons not related to submitting outstanding premium or deductible payments, the compliance effective date is the date the employer is deemed compliant, in accordance with PS 1-C-6.
 - (2) If the employer submits the outstanding premium or deductible payment, the compliance effective date must be in accordance with PS 7-A-3 and 8-A-3, respectively.

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 2—CUSTOMER SERVICE
(Regulatory approval required in: IN)

A. GENERAL INFORMATION REQUESTS

1. Employer Requests

Change PS 2-A-1-a as follows:

- a. ~~Provide information regarding the classification of the business and other factors resulting in the policy premium, including any applicable audit or other appropriate documentation within 14 days.~~

Add the following to PS 2-A-1:

- d. ~~The assigned carrier must provide the employer or its producer a copy of the experience rating worksheet upon request, at no cost.~~

Add the following to PS 2-A:

3. Complaint Log

The carrier must maintain a complaint log and provide the ICRB a copy of the complaint log on a quarterly basis.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business
(Regulatory approval required in: IN)

a. ~~Renewal or Nonrenewal Notices~~

Change PS 3-A-3-a(1) as follows:

- (1) ~~At least 60 days before expiration of the current policy, the assigned carrier must send a renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. The assigned carrier must implement a follow-up renewal notice in addition to the standard renewal notice. The reminder must be issued within 10–30 days prior to expiration if payment has not been received.~~

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
C. MIDTERM POLICY CHANGES
2. Endorsements
(Regulatory approval required in: IN)

a. Employer-Initiated Endorsements

Add the following to PS 3-C-2-a:

~~(4)~~ (5) When requested by the employer or producer, the Waiver of Our Right to Recover From Others Endorsement (WC 00 03 13) will be issued within one business day after receiving the required documentation and at least a \$250 minimum premium charge per requested waiver.

If additional premium is required for the endorsement and the premium is not received by the billing date, the assigned carrier must follow the standard cancellation rules and procedures for nonpayment of premium in accordance with the Indiana Worker's Compensation Insurance Plan.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 44
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: IN)

D. Qualifying Employers and Survey Location Determination

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>			
<u>\$20,000 to \$49,999</u>	<u>1604</u>	<u>4766</u>	<u>7698</u>	<u>7699</u>
	<u>7725</u>			

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 45
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)
(Regulatory approval required in: IN)

a. **New Business**

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes
\$10,000 to \$49,000	7732
\$5,000 to \$9,999	7600
\$1 to \$4,999	0042 7605

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 46
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: IN)

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes	
\$5,000 to \$49,999	7600	7732
\$1 to \$4,999	0042	7605

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 47
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
INDIANA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: IN)

c. ~~Renewal Business~~

Add the following to the Final Physical Audit—Renewal Business Table:

~~Final Physical Audit—Renewal Business Table~~

Premium Range	Additional Governing Classification Codes		
\$1 to \$19,999	0042	7605	7600

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
KANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: KS)

l. k. Plan Administrator

Change PS 1-A-4-k as follows:

The organization designated to administer the affairs of this Plan as approved by the regulatory authority with input from the Plan Board, as defined in Kansas *Basic Manual* Rule 4-A-2-zcc.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
KANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 2—CUSTOMER SERVICE
A. GENERAL INFORMATION REQUESTS
(Regulatory approval required in: KS)

1. Employer Requests

Change PS 2-A-1-e as follows:

- c. Maintain and make available loss records within 14 days.

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
KANSAS EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
B. TIMELINESS AND PROCEDURES
2. Assigned Carrier-Initiated Loss Prevention Surveys (LPS)
(Regulatory approval required in: KS)

b. Basic Timeliness for Qualifying Employers and Locations

Change PS 4-B-2-b(1) as follows:

- (1) The assigned carrier must complete an LPS for all qualifying locations within 120 days of the policy effective date.

Add the following to PS 4-B-2-b:

- (5) If an employer qualifies for an LPS due to claim frequency in accordance with PS 4-D within the first 180 days of the policy period, the assigned carrier must complete the LPS on the current policy within 90 days of the date a policy becomes eligible.

Add the following to PS 4-B-2-b:

- (6) If an employer qualifies for an LPS due to claim frequency in accordance with PS 4-D within the last 180 days of the policy period, the assigned carrier must complete the LPS on the renewal policy within 120 days of the renewal effective date.

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: MS)

~~i.~~ i. Manuals Referenced in These Standards

Add the following to PS 1-A:

References to manuals that do not apply in Mississippi are to be construed to reference the appropriate Mississippi manuals.

~~k.~~ j. Plan

Change PS 1-A-4-~~kj~~ as follows:

Plan refers to the Mississippi Workers' Compensation Assigned Risk Plan, as defined in Mississippi *Basic Manual* Rule 4-A.

~~m.~~ l. Pool, NWCRA, or Association

Change PS 1-A-4-~~ml~~ as follows:

The terms Pool, NWCRA, or Association as used in these *Performance Standards* are construed to mean "pool." The Pool was established pursuant to Mississippi Code Ann. §71-3-111, the reinsurance mechanism for workers compensation insurance policies issued by servicing carriers under this Plan.

~~o.~~ n. Producer

Change PS 1-A-4-~~on~~ as follows:

A licensed insurance agent, broker, producer, or insurance representative, as defined in Mississippi Code Ann. §83-17-1 et. seq., whose privileges under this Plan have not been suspended or revoked, designated by the employer or applicant applying under this Plan to secure and maintain workers compensation and employers liability insurance on behalf of the employer. For purposes of this Plan, the producer is considered to be acting on behalf of the insured or employer applying for coverage under this Plan and not as an agent of the Plan Administrator or of any assigned carrier for this Plan.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
(Regulatory approval required in: MS)

5. Manuals Referenced in These Standards

Add the following to PS 1-A-5:

References to manuals that do not apply in Mississippi are to be construed to reference the appropriate Mississippi manuals.

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business
(Regulatory approval required in: MS)

a. Renewal or Nonrenewal Notices

Add the following to Change PS 3-A-3-a as follows:

~~(4) 15 days prior to policy expiration, the assigned carrier must send the employer and producer of record a follow-up policy renewal or nonrenewal notice if the required renewal premium has not been received.~~

(1) The assigned carrier must send a:

- a. Renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. This renewal proposal and/or nonrenewal notice must be sent at least 60 days before expiration of the current policy.
- b. Follow-up policy renewal or nonrenewal notice to the employer and producer of record if the required renewal premium has not been received. This follow-up renewal or nonrenewal notice must be issued 15 days prior to policy expiration.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: MS)

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>		
<u>\$20,000 to \$49,999</u>	<u>1473</u>	<u>2705</u>	<u>8353</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)
(Regulatory approval required in: MS)

a. **New Business**

Add the following to the PPA—New Business Table:

PPA—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$10,000 to \$49,999</u>	<u>2705</u>
<u>\$5,000 to \$9,999</u>	<u>2705</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: MS)

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>
<u>\$5,000 to \$49,999</u>	<u>2705</u>
<u>\$1,000 to \$4,999</u>	<u>2705</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 44
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
MISSISSIPPI EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: MS)

c. Renewal Business

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes
\$1,000 to \$19,999	2705

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEVADA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	8864	9440	<u>2727</u>	<u>7408</u>
	<u>7723</u>	<u>7726</u>	<u>9452</u>	<u>9609</u>
	<u>9661</u>			

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEVADA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)

a. **New Business**

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes	
\$10,000 to \$49,999	8864	9110

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEVADA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. **New Business**

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes	
\$5,000 to \$49,999	8864	9110

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 2—CUSTOMER SERVICE
A. GENERAL INFORMATION REQUESTS
(Regulatory approval required in: NH)

1. Employer Requests

Add the following to PS 2-A-1:

- ☒ e. Make available to all policyholders informational brochures on workers compensation insurance (e.g., benefits, rights, premium audits, loss control services).

Add the following to PS 2-A-1:

- ☒ f. Provide, per N.H. Rev. Stat. § 412:33, policyholder information, premium and loss information to each policyholder on at least an annual basis.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: NH)**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the PS 4-D:

If a final audit of a new business policy generates additional payroll for New Hampshire state special Codes 2721 and 2722, an LPS is to be scheduled at an active job site within 60 days of the completed final audit. Thereafter, LPSs are to be provided once every three years.

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	7747	<u>2721</u>	<u>2722</u>	<u>7373</u>

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

1. Compensability and Coverage Determination
(Regulatory approval required in: NH)

c. **Notification and Reporting**

Add the following to PS 5-F-1-c:

- (6) The assigned carrier will establish a program so that the employer can contact the carrier 24 hours a day for the immediate reporting and investigation of severe/catastrophic injuries.

EXHIBIT 41

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY**

PERFORMANCE STANDARD 5—CLAIMS

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Regulatory approval required in: NH)

5. Medical Care and Cost Control

Add the following to PS 5-F-5:

- f. ~~g.~~ The assigned carrier will maintain a database (of medical services billed) to help determine the reasonable value of medical services.

Add the following to PS ~~5-F-5~~:

- g. ~~The assigned carrier will provide the employer a list of physicians and/or medical providers who are experienced in industrial medicine and managed care concepts.~~

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)
(Regulatory approval required in: NH)

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes
\$10,000 to \$49,999	<u>2721</u> 7717

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW HAMPSHIRE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: NH)

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes
\$5,000 to \$49,999	<u>2721</u> 7717

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms

c. Binder Package

Change PS 1-A-4-c as follows:

The assigned carrier will receive an electronic “Notice of Designation” ~~by mail~~ that will serve as a confirmation of coverage, provided an “Effective Date of Coverage” is shown in the Notice.

i. ~~Manuals Referenced in These Standards~~

Add the following to PS 1-A:

~~References to manuals that do not apply in New Jersey are to be construed to reference the appropriate New Jersey manuals.~~

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION

5. Manuals Referenced in These Standards

Add the following to PS 1-A-5:

References to manuals that do not apply in New Jersey are to be construed to reference the appropriate New Jersey manuals.

EXHIBIT 40

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
C. NONCOMPLIANCE AND COMPLIANCE WITH POLICY TERMS AND CONDITIONS**

2. Noncompliance Categories and Continuing Eligibility for Coverage

Change PS 1-C-2-e as follows:

- e. ~~The employer remains ineligible for coverage for a period of two years while it is noncompliant.~~

Change PS 1-C-2-d as follows:

- d. Once the employer becomes compliant, the employer may be eligible for coverage in accordance with Endorsement WC 29 03 10 and 3:14-8(11) of the New Jersey Manual.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 3—UNDERWRITING

A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)

3. Renewal Business

a. Renewal or Nonrenewal Notices

Change PS 3-A-3-a(1) as follows:

(1) ~~In accordance with 3:14-8(12) of the New Jersey Manual, at least 30 days before expiration of the current policy, the assigned carrier must:~~

- a. ~~Send a renewal proposal and/or nonrenewal notice, as appropriate, in accordance with 3:14-8(12) of the New Jersey Manual, to the employer and the producer of record. This renewal proposal and/or nonrenewal notice must be sent at least 30 days before expiration of the current policy.~~
- b. Send a follow-up renewal proposal in addition to the standard renewal proposal. This follow-up renewal proposal must be issued within 10–30 days before expiration, if required payment has not been received.

Change PS 3-A-3-a(2) as follows:

(2) The carrier may adjust the premium based on prior audits or other information. Such adjustments must be reasonable and must not contain any consideration for the effects of inflation.

Add the following to PS 3-A-3-a:

(4) For renewals, in those cases where the 15-day provision cited in (3) above extends beyond the expiration date of the policy, the employer is allowed an additional 30 days from the date of the renewal proposal for submission of the required renewal premium or deposit.

Add the following to PS 3-A-3-a:

(5) Many assigned carriers routinely send a cancellation notice at the time a renewal proposal is mailed in order to meet the notice requirement should the premium not be paid. The carrier must renew or nonrenew the policy in accordance with applicable requirements or remain on the policy until timely termination.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING**

F. CERTIFICATES OF INSURANCE

Change PS 3-F-23 as follows:

~~2.~~ 3. Producers are authorized to issue certificates of workers compensation insurance on behalf of assigned carriers only when they receive permission from the assigned carrier. The coverage is certified only when the:

- Policy terms are unchanged
- Certificate holder is not extended any greater rights than the insured
- Assigned carrier is provided with a copy of each certificate issued
- Certificates are not issued prior to the producer's receipt of the Notice of Designation of an Insurance Carrier showing an effective date of coverage

The employer or producer must contact the assigned carrier for certificate requests that do not meet the above criteria. The assigned carrier may reject any certificate not issued according to the above requirements.

Producers must contact the assigned carrier for the circumstances, if any, under which they may issue a certificate of insurance. Under no circumstances can certificates be issued prior to the producer's receipt of the Bureau notification, designating the assigned carrier and coverage effective date.

If the legal status of the insured employer named in the certificate is an elective entity (sole proprietor, partnership, LLC), the certificate must indicate if the New Jersey Sole Proprietors and Partners Coverage Endorsement (WC 29 03 07) is attached to the policy.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 43
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes
\$20,000 to \$49,999	The assigned carrier must survey those employers with state special governing classifications representing manufacturing, fabrication, or contracting risks. 0081 0082 0085 1814 1815 1842 4410 4571 4572 4835 4836 5038 5500 6042 6824 6826 7046 7249 7360F 7424 7426 7427 7428 7435 7855 8387 8397 8398 9045 9079

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 44
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
A. TIMELINESS

4. **Three-Year Audit Cycle**

Change PS 6-A-4-a as follows:

- a. A final physical audit must be conducted for all policies producing an estimated annual premium of less than \$5,000 in the first year it is written by a carrier, and at least once every three years thereafter.

Note: If the assigned carrier chooses to perform a final physical audit at its discretion for a renewal policy within the three-year time frame, that final physical audit would be used to determine the next three-year qualifying policy.

Change PS 6-A-4-b as follows:

PS 6-A-4-b does not apply in New Jersey.

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**EXHIBIT 45
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 6—AUDITS
 C. QUALIFYING EMPLOYERS
 1. Preliminary Physical Audits (PPA)**

A. NEW BUSINESS

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes									
\$10,000 to \$49,999	0084	0085	1320F	2883	4571	4572	5103	5200	5500	6042
	7249	8387	8397	9045	9079	9106	9521	9530		
\$5,000 to \$9,999	4571	4572	4835	4836	5038	5103	5200	5500	6042	7219
	9521									

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 46
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NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

A. NEW BUSINESS

Add the following to the Final Physical Audit—New Business Table Change PS 4-A-6-c(1)(b) as follows:

Final physical audits must be completed on all new assigned policies, unless the risk is a Private Residence, Estate or Occasional Servant policy

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes									
\$5,000 to \$49,999	0084	0085	1320F	2883	4571	4572	5038	5103	5200	5500
	6042	7219	8387	8397	8398	9045	9079	9106	9521	9530
\$1,000 to \$4,999	4571	4572	5038	5103	5200	5500	6042	7219	9521	

EXHIBIT 47
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NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

b. Exceptions to Final Physical Audit—New Business Table

Change PS 6-C-2-b as follows:

If a final physical audit is impracticable, it may be waived and a signed payroll statement from the employer may be accepted, subject to Manual Rule 3:3-85 and 3:3-86 in the *New Jersey Workers Compensation and Employer's Liability Insurance Manual*.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 48
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NEW JERSEY EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits**

C. RENEWAL BUSINESS

Add the following to the Final Physical Audit—Renewal Business Table

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes				
\$1,000 to \$19,999	5103	5200	6042	7219	9524

Change PS 6-C-2-c as follows:

Final physical audits must be completed in accordance with the Final Physical Audit—Renewal Business Table.

Final Physical Audit—Renewal Business Table

Premium Range	Governing Classification Code
\$5,000 and over	All policies, regardless of governing classification code.
\$1,000 to \$4,999	<u>3726</u> <u>5022</u> <u>5057</u> <u>5102</u> <u>5103</u> <u>5183</u> <u>5190</u> <u>5191</u> <u>5200</u> <u>5213</u>
	<u>5215</u> <u>5221</u> <u>5348</u> <u>5403</u> <u>5437</u> <u>5445</u> <u>5474</u> <u>5478</u> <u>5479</u> <u>5507</u>
	<u>5535</u> <u>5537</u> <u>5551</u> <u>5606</u> <u>5610</u> <u>5645</u> <u>5703</u> <u>6042</u> <u>6204</u> <u>6217</u>
	<u>6325</u> <u>6400</u> <u>7219</u> <u>7228</u> <u>7229</u> <u>7538</u> <u>7600</u> <u>8279</u> <u>9521</u>
All	If requested by the insured or the Rating Bureau, regardless of governing classification code
	If indemnity losses have been reported under the policy, regardless of governing classification code
	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.
All Remaining	All policies, regardless of governing classification code, every third year, unless the policy is for a Domestic Servant policy in which case this requirement does not apply.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms

~~k.~~ **j. Plan**

Change PS 1-A-4-~~kj~~ as follows:

Plan refers to North Carolina's Workers Compensation Insurance Plan (WCIP).

~~l.~~ **k. Plan Administrator**

Change PS 1-A-4-~~lk~~ as follows:

The North Carolina Rate Bureau, the organization which has been designated to administer the affairs of the Plan.

~~e.~~ **n. Producer**

Change PS 1-A-4-~~en~~ as follows:

A licensed North Carolina agent, broker, producer, or insurance representative, as defined in the state insurance code, whose privileges under this Plan have not been suspended or revoked, designated by the employer or applicant applying under the Plan to secure and maintain workers compensation and employers liability insurance on behalf of the employer. For purposes of this Plan, the producer is considered to be acting on behalf of the insured or employer applying for coverage under this Plan and not as an agent of the Plan Administrator or of any assigned carrier for Plan business.

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 1—INTRODUCTION

B. DATA REPORTING

1. Assigned Carriers

Change PS 1-B-1-d as follows:

d. ~~Report all assigned risk policy information electronically to the Plan Administrator. Information includes, but is not limited to:~~

- ~~Policies~~
- ~~Endorsements~~
- ~~Binder number~~
- ~~Cancellations and reinstatements~~
- ~~Noncompliance and compliance transactions~~

Add the following to PS 1-B:

3. The *North Carolina Statistical Plan* permits the filing of unit statistical data to either the NCRB and/or NCCI. Further, policy data must be reported to the NCRB.

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EXHIBIT 40
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NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business

a. Renewal or Nonrenewal Notices

Change PS 3-A-3-a(1) as follows:

- (1) ~~At least 45 days before expiration of the current policy,~~ The assigned carrier must:
- a. ~~Send a renewal proposal, as appropriate, to the employer and the producer. This renewal proposal must be sent at least 45 days before expiration of the current policy.~~
 - b. Send a follow-up renewal reminder in addition to the standard renewal proposal. This follow-up renewal reminder must be issued within 10–30 days before expiration, if required payment has not been received.

Add the following to PS 3-A-3-a:

- (4) Any assigned carrier unwilling to renew an employer assigned to it must notify the employer, producer and the Plan Administrator at least 60 days before expiration of the current policy, giving a reason or reasons acceptable to the Plan Administrator.

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EXHIBIT 41

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NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING

F. CERTIFICATES OF INSURANCE

Change PS 3-F-~~34~~ as follows:

- ~~3.~~ 4. PS 3-F-~~34~~ does not apply in North Carolina.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	<u>2705</u>	<u>2727</u>	<u>7529</u>	<u>7723</u>
	<u>8236</u>	<u>8849</u>		

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
NORTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes		
\$10,000 to \$49,999	8849	<u>2705</u>	<u>8848</u>
\$5,000 to \$9,999	<u>2705</u>		

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PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes		
\$5,000 to \$49,999	8849	<u>2705</u>	<u>8848</u>
\$1,000 to \$4,999	<u>2705</u>		

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

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PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

c. **Renewal Business**

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes
\$1,000 to \$19,999	2705

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38
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PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
2. Assigned Carrier Compliance
(Regulatory approval required in: OR)

e. Termination

Change PS 1-A-2-e as follows:

Failure to adhere to these **Performance Standards** constitutes a failure to fulfill the requirements of the servicing carrier contract or direct assignment carrier appointment and termination or other penalties may result at the discretion of the Plan Administrator and is subject to approval by the Director of the Department of Consumer and Business Services (DCBS). In accordance with ORS §737.360 and as provided for in OAR 836-043-00701 and referenced in OAR 836-043-021 (1) and (3), the assigned carrier has the right to appeal the decision if reconciliation cannot be obtained.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

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PERFORMANCE STANDARD 1—INTRODUCTION
A. GENERAL EXPLANATION
4. Definitions and Terms
(Regulatory approval required in: OR)

~~k.~~ **j. Plan**

Add the following to PS 1-A-4-~~kj~~:

References to *Basic Manual* Rule 4-A must be interpreted to reference the appropriate Oregon Workers Compensation Insurance Assigned Risk Plan rule.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 40

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING

A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)

2. New Business

(Regulatory approval required in: OR)

c. Payroll and Classification Verification

Add the following to PS 3-A-2-c:

- (7) Contact the employer by telephone within 15 business days of the assigned carrier's receipt of the WCIP binder package from the Plan Administrator, if the welcome letter has not been sent, to validate the policy data prior to before policy issuance and to inform the employer that their coverage has been placed in the assigned risk market.

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PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business
(Regulatory approval required in: OR)

a. Renewal or Nonrenewal Notices

Change PS 3-A-3-a(1) as follows:

- (1) ~~At least 45 days before expiration of the current policy,~~ The assigned carrier must:
- a. ~~Send a renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. This renewal proposal and/or nonrenewal notice must be sent at least 45 days before expiration of the current policy.~~
 - b. Send a follow-up renewal proposal in addition to the standard renewal proposal. This follow-up renewal proposal must be issued within 10–30 days before expiration, if required payment has not been received.

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PERFORMANCE STANDARD 3—UNDERWRITING
C. MIDTERM POLICY CHANGES
2. Endorsements
(Regulatory approval required in: OR)

b. Assigned Carrier-Initiated Endorsements

Change PS 3-C-2-b(1) as follows:

- (1) A change in exposure or payroll determined by any type of audit or by other verifiable means may result in the need to issue an additional premium endorsement. ~~In order to~~To make such a determination, recalculate the new estimated annual premium using the new exposure and payroll and compare it to the current policy's estimated annual premium. If the additional premium generated is at least \$500 or 25% of the most recent estimated annual premium of the current policy, whichever is the greater amount, the endorsement must be accurately issued within 60 days of any of the following:
- a. Auditor's visit to the employer's location to conduct a physical audit
 - b. Carrier's receipt of a mail audit
 - c. Phone call with the employer to conduct a telephone audit
 - d. Accurate determination of the exposures and payroll by any other verifiable means.

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EXHIBIT 43

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

**B. TIMELINESS AND PROCEDURES
(Regulatory approval required in: OR)**

1. Employer-Requested Loss Prevention Services

Change PS 4-B-1-a as follows:

When an employer requests loss prevention services, the assigned carrier must:

- a. Respond to the employer within 14 days of the receipt of request. If regarding an imminent danger hazard, loss prevention services will be provided as soon as possible.
- b. ~~Complete the survey or provide other appropriate assistance (e.g., safety literature, video) within 30 days from the date of request.~~

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PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: OR)**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table

Premium Range	Governing Classification Codes
\$50,000 and over	All employers, regardless of governing classification code.
\$20,000 to \$49,999	0037 0042 0050 0083 0106 0401 4005 4016 4164 4165
	1320 1322 1438 1472 1624 1741 1803 2095 2697 2702
	2703 2704 2710 2714 2725 2802 2883 3030 3507 3632
	3724 3821 4420 4511 4581 4583 4635 4771 4828 4829
	5022 5040 5057 5059 5069 5183 5190 5213 5348 5403
	5437 5445 5474 5506 5511 5535 5551 5610 5645 5651
	6204 6217 6235 6254 6252 6319 6702 6703 6704 6834
	6836 6854 6872 6874F 6876 6882 6884 7038 7050 7090
	7098 7099 7219 7225 7309F 7317F 7350F 7370 7403 7420
	7422 7425 7431 7515 7539 7610 7705 7710 7729 8018
	8024 8112 8215 8227 8265 8279 8288 8292 8293 8380
	8411 8824 8826 8834 8832 8833 8835 8842 8864 8868
	8989 9014 9015 9016 9079 9088 9156 9178 9180 9186
	9310 9315 9328 9351 9403
	\$1 to \$19,999
Experience Rating	
1.40 and higher, with an estimated annual premium of \$10,000 and over	All employers, regardless of governing classification code and status of experience rating modification (e.g., preliminary, final, contingent).
1.39 and lower	At assigned carrier's discretion, based on sound underwriting judgment.
Claim Frequency	The assigned carrier must develop written procedures to identify and perform LPSs by comparing claim frequency with policy premium size during the course of the policy period.

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EXHIBIT 45
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS
(Regulatory approval required in: OR)

C. COMPLIANCE AND NOTIFICATION OF INJURY

1. Assigned carriers must:

Change PS 5-C-1-b as follows:

- b. Maintain claims processing and records within the state in accordance with OAR
~~836-050-120436-050-0110~~.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 46
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS
(Regulatory approval required in: OR)**

D. MEDICAL-ONLY CLAIMS AND LOST-TIME CLAIMS NOT EXCEEDING THE APPLICABLE WAITING PERIOD

Change PS 5-D-3 as follows:

3. Establish timely and adequate medical reserves commensurate with all known claim factors and information developed. For medical-only claims, establish criterion, either dollar amount or duration, requiring additional review. Actuarial documentation must be maintained to support any average reserve estimate used as a case reserve for these claims.

Change PS 5-D-6-a as follows:

- a. Do not exist, and physician reports have been received in accordance with OAR 436-009-0030(3), pay all bills within 45 days of receipt.

Add the following to PS 5-D:

10. Payment of medical bills and reimbursement of the worker must be completed in accordance with OAR 436-009-0030 and OAR 436-009-0025.

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EXHIBIT 47

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS**

**E. EARLY INTERVENTION FOR LOST-TIME OR POTENTIAL LOST-TIME CLAIMS
(Regulatory approval required in: OR)**

1. Assignment

Change PS 5-E-1 as follows:

Within one business day of the assigned carrier's receipt indicating that indemnity benefits may be due for a claim that exceeds or may exceed the applicable waiting period, assigned carriers must assign cases based on:

- a. Type of injury
- b. A claim handler's appropriate expertise and knowledge regarding, but not limited to potential:
 - (1) Lost time in excess of the applicable waiting period
 - (2) Permanent disability
 - (3) Subrogation
 - (4) Compensability issues
 - (5) Fraudulent or abusive acts or practices
 - (6) Coverage issues
 - (7) Medical severity

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EXHIBIT 48

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OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS

E. EARLY INTERVENTION FOR LOST-TIME OR POTENTIAL LOST-TIME CLAIMS
(Regulatory approval required in: OR)

2. Early Intervention

b. ~~Three Point Contact~~

Add the following to PS 5-E-2-b:

(4) PPD standards do not distinguish between scheduled and unscheduled.

Add the following to PS 5-E-2-b:

(5) PTD requires consideration of worker capacity for performing suitable and gainful occupation within 50 miles of residence in accordance with OAR 436-030-055.

Add the following to PS 5-E-2:

c. Claim denial requirements must be followed as ~~detailed~~outlined in OAR 436-030-0015.

Add the following to PS 5-E-2:

d. Notice of Closure responsibilities of the assigned carrier are ~~detailed~~outlined in OAR 436-030-0020.

EXHIBIT 49

**ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS (NON-COAL MINE)**

F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS

(Regulatory approval required in: OR)

5. Medical Care and Cost Control

Change PS 5-F-5-d(1) as follows:

- (1) Do not exist, and physician reports have been received, pay all bills within 45 days of receipt in accordance with OAR 436-009-0030(3).

Change PS 5-F-5-d(2) as follows:

- (2) Exist, notify the medical provider/vendor within 20 days of receipt in accordance with OAR 436-009-0030(3).

Add the following to PS 5-F-5-d:

- (3) Payment of medical bills and reimbursement of the worker must be completed in accordance with OAR 436-009-0030 and OAR 436-009-0025.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 50
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS
F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS
(Regulatory approval required in: OR)

6. Indemnity and Disability Management

Add the following to PS 5-F-6-c:

- (7) For PPD standards, do not distinguish between scheduled and unscheduled disability.
- (8) For PTD standards, require consideration of the worker's capacity for performing a suitable and gainful occupation within 50 miles of their residence, in accordance with OAR 436-030-055.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 51
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 6—AUDITS
 C. QUALIFYING EMPLOYERS
 1. Preliminary Physical Audits (PPA)
 (Regulatory approval required in: OR)**

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes							
\$10,000 to \$49,999	0124	2725	7600	8414	8824	9079	9310	2104
	6876	9328						
\$5,000 to \$9,999	6876	7600	7605	9328				

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 52
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 6—AUDITS
 C. QUALIFYING EMPLOYERS
 2. Final Physical Audits
 (Regulatory approval required in: OR)**

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes							
\$5,000 to \$49,999	0124	2725	7600	8411	8824	9079	9340	2104
	<u>6876</u>	<u>9328</u>						
\$1,000 to \$4,999	<u>6876</u>	7600	7605	<u>9328</u>				

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 53
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
OREGON EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits
(Regulatory approval required in: OR)**

c. Renewal Business

Change the Final Physical Audit—Renewal Business Table as follows:

Final Physical Audit—Renewal Business Table

Premium Range	Governing Classification Codes
\$10,000 and over	In accordance with OAR 836-043-0110, final physical audits are required for risks at least once annually, with the exception that if the final audit difference is less than 5% for each of two consecutive policy years, then a final physical audit needs to be done only every third renewal policy subsequent to the policy most recently audited. If at any audit the premium difference is 5% or greater, the carrier must again audit the employer's policy at least annually until the carrier finds an audit premium difference of less than 5% for each of two consecutive policy years.
	Must be performed for policies with a loss ratio of over 120% the first year a risk qualifies and once every three years thereafter.
	Must be performed annually for the following:
	<u>0042</u> <u>1005</u> <u>1016</u> <u>1463</u> <u>1925</u> <u>2111</u> <u>2402</u> <u>2797</u> <u>3081</u> <u>3724</u>
	<u>3726</u> <u>4243</u> <u>4244</u> <u>4273</u> <u>4279</u> <u>4420</u> <u>4470</u> <u>4771</u> <u>5020</u> <u>5022</u>
	<u>5040</u> <u>5057</u> <u>5059</u> <u>5102</u> <u>5146</u> <u>5160</u> <u>5183</u> <u>5188</u> <u>5190</u> <u>5213</u>
	<u>5215</u> <u>5221</u> <u>5222</u> <u>5223</u> <u>5348</u> <u>5403</u> <u>5437</u> <u>5445</u> <u>5472</u> <u>5473</u>
	<u>5474</u> <u>5478</u> <u>5479</u> <u>5506</u> <u>5507</u> <u>5508</u> <u>5537</u> <u>5551</u> <u>5606</u> <u>5610</u>
	<u>5645</u> <u>5703</u> <u>6003</u> <u>6204</u> <u>6216</u> <u>6217</u> <u>6229</u> <u>6233</u> <u>6235</u> <u>6306</u>
	<u>6319</u> <u>6325</u> <u>6400</u> <u>6876</u> <u>7219</u> <u>7225</u> <u>7230</u> <u>7234</u> <u>7380</u> <u>7390</u>
<u>7538</u> <u>7605</u> <u>8227</u> <u>9014</u> <u>9179</u> <u>9328</u> <u>9534</u>	
ALL	All employers engaged in leasing employees to others or in providing temporary help to others, regardless of premium size.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 38

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
SOUTH CAROLINA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>	
<u>\$20,000 to \$49,999</u>	<u>1169</u>	<u>1751</u>

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
SOUTH DAKOTA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 3—UNDERWRITING
A. POLICY ISSUANCE (NEW AND RENEWAL BUSINESS)
3. Renewal Business
(Regulatory approval required in: SD)

a. Renewal or Nonrenewal Notices

Add the following to Change PS 3-A-3-a(1) as follows:

- (4) ~~If the assigned carrier has not received the required renewal premium at least 35 days before the renewal date of the policy, a reminder notice of nonrenewal must be sent to the employer and the producer of record.~~
- (1) The assigned carrier must send a:
 - a. Renewal proposal and/or nonrenewal notice, as appropriate, to the employer and the producer of record. The renewal and/or nonrenewal notice must be sent at least 60 days before the expiration of the current policy.
 - b. Reminder notice of nonrenewal to the employer and the producer of record if the required renewal premium has not been received at least 35 days before the renewal date of the policy.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
SOUTH DAKOTA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION
(Regulatory approval required in: SD)

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

<u>Premium Range</u>	<u>Additional Governing Classification Codes</u>	
<u>\$20,000 to \$49,999</u>	<u>2703</u>	<u>8370</u>

EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 2—CUSTOMER SERVICE
A. GENERAL INFORMATION REQUESTS

1. Employer Requests

Change PS 2-A-1-a as follows:

- a. Provide information regarding the classification of the business and other factors resulting in the policy premium, including any applicable audit or other appropriate documentation within 14 days.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	<u>1604</u>	<u>2705</u>	5604	5613

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 5—CLAIMS
F. LOST-TIME AND POTENTIAL LOST-TIME CLAIMS
1. Compensability and Coverage Determination

c. Notification and Reporting

Add the following to PS 5-F-1-c:

~~(6)(7) The Complete and provide the~~ “Tennessee Workers Compensation Large Loss Report” forms ~~are to be completed and provided~~ to the Tennessee Department of Commerce and Insurance (TDCI) within 30 days of the incurred losses of an individual claim reaching or exceeding \$500,000. Only one report is required to be submitted for the life of the claim.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
1. Preliminary Physical Audits (PPA)

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes	
\$10,000 to \$49,999	2705	5604
\$5,000 to \$9,999	2705	5604

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes	
\$5,000 to \$49,999	2705	5604
\$1,000 to \$4,999	2705	5604

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 43
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
TENNESSEE EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

c. Renewal Business

Add the following to the Final Physical Audit—Renewal Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes	
\$15,000 to \$19,999	2705	5604

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
VERMONT EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Change the Loss Prevention Survey Table as follows:

Loss Prevention Survey Table

Premium Range	Governing Classification Codes									
\$50,000 and over	All employers, regardless of governing classification code.									
\$20,000 to \$49,999	<u>0016</u>	0037	0042	0050	<u>0079</u>	0083	0106	0401	1005	1164
	1165	1320	1322	<u>1430</u>	1438	<u>1452</u>	<u>1463</u>	1472	<u>1604</u>	1624
	<u>1642</u>	<u>1654</u>	<u>1699</u>	<u>1701</u>	<u>1710</u>	4744	<u>1747</u>	<u>1748</u>	1803	<u>1811</u>
	<u>2014</u>	2095	<u>2211</u>	<u>2402</u>	2702	2709	2710	<u>2731</u>	2802	2883
	2916	<u>3004</u>	<u>3018</u>	<u>3027</u>	3030	<u>3040</u>	<u>3081</u>	<u>3082</u>	<u>3085</u>	<u>3336</u>
	<u>3365</u>	3507	<u>3620</u>	3632	<u>3719</u>	3724	<u>3726</u>	3824	<u>4000</u>	<u>4021</u>
	<u>4024</u>	<u>4034</u>	<u>4036</u>	<u>4207</u>	<u>4239</u>	4420	4544	<u>4568</u>	4581	4583
	4635	<u>4665</u>	<u>4670</u>	<u>4686</u>	<u>4740</u>	<u>4751</u>	4771	<u>4777</u>	<u>4825</u>	4828
	4829	<u>5020</u>	5022	5037	5040	5057	5059	5069	<u>5102</u>	<u>5146</u>
	<u>5160</u>	5183	<u>5188</u>	5190	5213	<u>5221</u>	<u>5222</u>	<u>5223</u>	5348	5403
	5437	5445	<u>5462</u>	<u>5472</u>	<u>5473</u>	5474	<u>5478</u>	<u>5480</u>	<u>5491</u>	5506
	<u>5507</u>	<u>5508</u>	5535	<u>5537</u>	5551	<u>5606</u>	5640	5645	5654	<u>5703</u>
	<u>5705</u>	<u>6003</u>	<u>6005</u>	<u>6018</u>	<u>6045</u>	6204	<u>6206</u>	<u>6213</u>	<u>6214</u>	<u>6216</u>
	6217	<u>6229</u>	<u>6233</u>	6235	<u>6236</u>	<u>6237</u>	6251	6252	<u>6306</u>	6319
	<u>6325</u>	<u>6702</u>	<u>6703</u>	<u>6704</u>	<u>6811</u>	6834	6836	6854	6872	6874F
	6882	6884	7038	7050	7090	7098	7099	<u>7133</u>	7219	<u>7222</u>
	7225	<u>7232</u>	7309F	7317F	7350F	<u>7360</u>	7370	7403	<u>7405</u>	7420
	<u>7421</u>	7422	7425	7431	<u>7502</u>	7515	<u>7538</u>	7539	<u>7540</u>	<u>7580</u>
	<u>7600</u>	<u>7605</u>	7640	7705	7710	7711	<u>7720</u>	<u>7855</u>	8018	8024
	<u>8106</u>	<u>8107</u>	<u>8204</u>	8215	8227	<u>8232</u>	<u>8233</u>	<u>8264</u>	8265	8279
8288	8292	8293	<u>8304</u>	<u>8350</u>	8380	<u>8385</u>	<u>8500</u>	<u>8606</u>	<u>8719</u>	
<u>8720</u>	<u>8721</u>	<u>8725</u>	<u>8755</u>	<u>8803</u>	8824	8826	8829	8834	8832	
8835	8842	8864	8868	9014	9015	9016	<u>9019</u>	<u>9082</u>	<u>9083</u>	
9088	<u>9456</u>	<u>9170</u>	<u>9478</u>	9180	9186	<u>9402</u>	9403	<u>9516</u>	<u>9519</u>	
<u>9521</u>	<u>9534</u>	<u>9554</u>								
\$1 to \$19,999	At assigned carrier's discretion, based on sound underwriting judgment.									
Experience Rating										

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38 (CONT'D)
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 VERMONT EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 4—LOSS PREVENTION
 Loss Prevention Survey Table (Cont'd)**

Premium Range	Governing Classification Codes
1.40 and higher, with an estimated annual premium of \$3,500 and over	All employers, regardless of governing classification code and status of experience rating modification (e.g., preliminary, final, contingent).
1.39 and lower	At assigned carrier's discretion, based on sound underwriting judgment.
Claim Frequency	The carrier must develop written procedures to identify and perform LPS's by comparing claim frequency with policy premium size during the course of the policy period.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 4—LOSS PREVENTION**

D. QUALIFYING EMPLOYERS AND SURVEY LOCATION DETERMINATION

Add the following to the Loss Prevention Survey Table:

Loss Prevention Survey Table

Premium Range	Additional Governing Classification Codes			
\$20,000 to \$49,999	<u>2725</u>	<u>5651</u>	<u>7601</u>	<u>7611</u>
	<u>7612</u>	<u>7613</u>	<u>7723</u>	<u>7727</u>
	<u>8864</u>	<u>9440</u>	<u>9411</u>	

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 39
 ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
 VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
 PERFORMANCE STANDARD 6—AUDITS
 C. QUALIFYING EMPLOYERS
 1. Preliminary Physical Audits (PPA)**

a. New Business

Add the following to the PPA—New Business Table:

PPA—New Business Table

Premium Range	Additional Governing Classification Codes			
\$10,000 to \$49,999	<u>5651</u>	<u>7601</u>	<u>7611</u>	7612
	7613	8864	9440	
\$5,000 to \$9,999	<u>7611</u>	<u>7612</u>	7613	

EXHIBIT 40
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

a. New Business

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—New Business Table

Premium Range	Additional Governing Classification Codes			
\$5,000 to \$49,999	<u>5651</u>	<u>7601</u>	<u>7611</u>	7612
	7613	8864	9440	
\$1,000 to \$4,999	<u>7611</u>	<u>7612</u>	7613	

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 41
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 6—AUDITS
C. QUALIFYING EMPLOYERS
2. Final Physical Audits

c. **Renewal Business**

Add the following to the Final Physical Audit—New Business Table:

Final Physical Audit—Renewal Business Table

Premium Range	Additional Governing Classification Codes		
\$1,000 to \$19,999	<u>7611</u>	<u>7612</u>	7613

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

EXHIBIT 42

ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY

PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES

Change PS 8 as follows:

PS 8 does not apply in Virginia.

ITEM RM-W-8045—REVISIONS TO THE ASSIGNED CARRIER PERFORMANCE STANDARDS

**EXHIBIT 38
ASSIGNED CARRIER PERFORMANCE STANDARDS—2009 EDITION
WEST VIRGINIA EXCEPTIONS—APPLICABLE TO ASSIGNED RISK POLICIES ONLY
PERFORMANCE STANDARD 8—BILLING AND COLLECTION FOR DEDUCTIBLES**

Change PS 8 as follows:

PS 8 does not apply in West Virginia.