

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 20, 2019

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APPLICATION OF

NATIONAL COUNCIL ON COMPENSATION
INSURANCE, INC.

CASE NO. INS-2019-00080

For revisions of advisory loss costs
and assigned risk workers' compensation
insurance rates

ORDER DOCKETING CASE

Pursuant to § 38.2-1912.1 of the Code of Virginia ("Code"), no prospective loss costs or supplementary rate information for workers' compensation insurance as defined by § 38.2-119 of the Code shall be applied or used in the Commonwealth of Virginia until it has been approved by the State Corporation Commission ("Commission"). Pursuant to § 38.2-2006 of the Code, no filing of rates for insurance written through the Virginia Workers' Compensation Insurance Plan may be used until it has been approved by the Commission.

The Commission's Corrected and Amended Final Order in Case Number INS-2018-00071 ("2018 Final Order")¹ ordered, among other things, that on or before June 3, 2019, the National Council on Compensation Insurance, Inc. ("NCCI"), the Commission's Bureau of Insurance ("Bureau"), the Office of the Attorney General's Division of Consumer Counsel, the Iron Workers Association, and the Washington Construction Employers Association (collectively, "Parties") recommend jointly to the Commission a procedural schedule for any 2019 proceeding to revise advisory loss costs and assigned risk workers' compensation insurance

¹ *Application of National Council on Compensation Insurance, Inc., For revisions of advisory loss costs and assigned risk workers' compensation insurance rates*, Case No. INS-2018-00071, Doc. Con. Cen. No. 190110208, Corrected and Amended Final Order (Jan. 10, 2019).

rates. Accordingly, on May 31, 2019, NCCI, by counsel, filed on behalf of the Parties a proposed procedural schedule for the anticipated 2019 proceeding with the Commission's Clerk's Office.²

Further, pursuant to Paragraphs (4) and (5) of the 2018 Final Order, the Commission understands that the Virginia Working Group³ reached consensus regarding the items the Commission directed the Virginia Working Group to review. Thus, there is no need to for the Commission to issue any orders, establish a separate hearing schedule or otherwise determine how any disagreement on these issues should be addressed.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that the proposed procedural schedule should be adopted. Further, the Commission finds that a Hearing Examiner should be appointed to rule on all discovery matters that may arise during the course of this proceeding.

Accordingly, IT IS ORDERED THAT:

(1) This matter is docketed and assigned Case No. INS-2019-00080, and a proceeding shall be instituted pursuant to 5 VAC 5-20-80 A of the Commission's Rules of Practice and Procedure, 5 VAC 5-20-10 *et seq.* ("Rules").

(2) As provided in § 12.1-31 of the Code and Rule 5 VAC 5-20-120, a Hearing Examiner is appointed to rule on any discovery matters that may arise during the course of this proceeding.

² The Commission further understands that on May 31, 2019, the Bureau provided NCCI its pre-filed discovery requests seeking certain information from NCCI.

³ The working group was established upon prior direction of the Commission and comprises all interested parties to this rate making process ("Virginia Working Group"). The Virginia Working Group is tasked with using the expertise of its members to discuss and resolve specific actuarial or economic issues. The Virginia Working Group presents those outcomes to the Commission with the intent to enhance the efficiency of these proceedings.

(3) This case is set for hearing to commence on October 22, 2019, at 10 a.m., in the Commission's Courtroom, Second Floor, located at 1300 East Main Street, Tyler Building, Richmond, Virginia 23219.

(4) On or before July 12, 2019, NCCI shall file its proposed advisory loss costs and assigned risk rates. Together with these filings, NCCI shall submit testimony and exhibits in support of its proposed advisory loss costs, assigned risk rates, and rating values as well as its responses to the Bureau's May 31, 2019 pre-filing discovery requests. If not filed electronically, an original and fifteen (15) copies of the proposed advisory loss costs and assigned risk rates shall be submitted to Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Three (3) copies of the proposed advisory loss costs and assigned risk rates and support thereof simultaneously shall be delivered to the Office of the Attorney General and any party requesting the same.

(5) On or before August 9, 2019, all persons who expect to participate in the hearing as respondents, as provided by Rule 5 VAC 5-20-80 B, shall file a notice of participation. If not filed electronically, an original and fifteen (15) copies of the notice of participation shall be submitted to the Clerk of the Commission at the address in Ordering Paragraph (4). Each respondent simultaneously shall deliver a copy of the notice of participation to counsel for the Applicant, Charles H. Tenser, Esquire, 2120 Galloway Terrace, Midlothian, Virginia 23113.

(6) On or before September 6, 2019, the Commission's Staff; and all persons previously filing a notice of participation who wish to participate in the hearing as respondents, shall file with the Clerk of the Commission the testimony and exhibits of each witness expecting to present direct testimony. If not filed electronically, an original and fifteen (15) copies of the testimony and exhibits shall be submitted to the Clerk of the Commission at the address in

Ordering Paragraph (4). Three (3) copies of the testimony and exhibits simultaneously shall be delivered to counsel for the Applicant at the address in Ordering Paragraph (5), the Office of the Attorney General, and any respondent requesting the same.

(7) On or before October 4, 2019, the Applicant shall file with the Clerk of the Commission the rebuttal testimony and exhibits of each witness it intends to offer at the hearing and simultaneously shall deliver three copies thereof to counsel for each respondent and the Office of the Attorney General. If not filed electronically, an original and fifteen (15) copies of such rebuttal testimony and exhibits shall be submitted to the Clerk of the Commission at the address in Ordering Paragraph (4).

(8) On or before October 18, 2018, any interested person may file with the Clerk of the Commission, at the address in Ordering Paragraph (4), written comments on the Application. Any interested person desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.scc.virginia.gov/case>. Compact discs or any other means of electronic storage medium may not be filed with the comments. All comments shall refer to Case No. INS-2019-00080.

(9) The Commission's Bureau forthwith shall mail a copy of this Order to all persons listed in the Bureau of Insurance's records as interested persons for purposes of workers' compensation matters, composed of entities and individuals that have previously expressed an interest in recent NCCI rate proceedings.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:
Charles H. Tenser, Esquire, 2120 Galloway Terrace, Midlothian, Virginia 23113; C. Meade Browder, Jr., Senior Assistant Attorney General, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219; and a copy hereof

shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Rebecca Nichols.

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