

STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
300 Capitol Mall, 17th Floor
Sacramento, CA 95814

PROPOSED DECISION

**JANUARY 1, 2021 WORKERS' COMPENSATION INSURANCE
RATING RULES FILING**

FILE NUMBER REG-2020-00013

In the Matter of: Proposed adoption or amendment of the Insurance Commissioner's regulations pertaining to the California Workers' Compensation Uniform Statistical Reporting Plan-1995, Miscellaneous Regulations for the Recording and Reporting of Data-1995, and the California Workers' Compensation Experience Rating Plan-1995. These regulations will be effective on January 1, 2021.

SUMMARY OF PROCEEDINGS

The California Department of Insurance ("Department") held a public hearing in the above-captioned matter on July 29, 2020, at the time and place set forth in the Notice of Proposed Action and Notice of Public Hearing, File Number REG-2020-00013, dated July 1, 2020. A copy of the Notice is included in the record. The record closed on July 29, 2020.

The Department distributed copies of the Notice to persons and entities referenced in the record. The Notice included a summary of the proposed changes and instructions for interested persons who wanted to view a copy of the information submitted to the Insurance Commissioner in connection with the proposed changes. The Workers' Compensation Insurance Rating Bureau ("WCIRB") submitted a filing letter and related documents on June 25, 2020, which was available for inspection by the public at the Oakland office of the Department and electronically by request, and were available online at the WCIRB's website, www.wcirb.com.

The WCIRB's filing proposes amendments to the California Workers' Compensation Uniform Statistical Reporting Plan-1995, Miscellaneous Regulations for the Recording and Reporting of Data-1995, and California Workers' Compensation Experience Rating Plan-1995.

The Department accepted testimony and written comments at a telephonic hearing on July 29, 2020. The Hearing Officer announced that the record would remain open until 5:00 p.m. on July 29, 2020, to enable interested persons to submit additional written comments. The matter having been duly heard and considered, the Department now presents its review, analysis, and Proposed Decision and Order.

**REVIEW OF PROPOSED CHANGES TO THE WORKERS' COMPENSATION
UNIFORM STATISTICAL REPORTING PLAN-1995, THE MISCELLANEOUS
REGULATIONS FOR THE RECORDING AND REPORTING OF DATA-1995 AND THE
CALIFORNIA WORKERS' COMPENSATION EXPERIENCE RATING PLAN-1995**

Amendments to the California Workers' Compensation Uniform Statistical Reporting Plan-1995 (USRP)

The WCIRB proposed amendments to the USRP to be effective on January 1, 2021 and applied to policies with an effective date on or after January 1, 2021. The proposed amendments are contained in the WCIRB's filing and are summarized in the Notice of Proposed Action.

The Department has reviewed the WCIRB's proposed amendments to the USRP and received no objections as to those items. As to those items, the proposed amendments are reasonable and consistent with the purpose of the USRP. This proposed decision recommends, therefore, that the amendments be approved.

Amendments to the Miscellaneous Regulations for the Recording and Reporting of Data-1995

The WCIRB proposed amendments to the Miscellaneous Regulations for the Recording and Reporting of Data-1995 to be effective on January 1, 2021, and applied to a policy with an effective date on or after January 1, 2021. The proposed amendments are contained in the WCIRB's filing and are summarized in the Notice of Proposed Action.

The Department reviewed the WCIRB's proposed amendments and received no objections to the proposed amendments. The proposed amendments are reasonable and consistent with the purpose of these Miscellaneous Regulations for the Recording and Reporting of Data-1995. This proposed decision recommends, therefore, that the amendments be approved.

Amendments to the California Workers' Compensation Experience Rating Plan-1995 (ERP)

The WCIRB proposed amendments to the ERP to be effective on January 1, 2021, and applied as of the rating effective date of a risk on or after January 1, 2021. The proposed amendments are contained in the WCIRB's filing and are summarized in the Notice of Proposed Action.

The Department reviewed the WCIRB's proposed amendments and received no objections to the proposed amendments. The proposed amendments are reasonable and consistent with the purpose of the ERP. This proposed decision recommends, therefore, that the amendments be approved.

PROPOSED ORDER

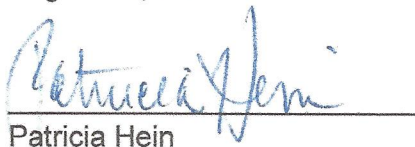
IT IS ORDERED, by virtue of the authority vested in the Insurance Commissioner of the State of California by California Insurance Code sections 11734, 11750(a), 11750.3, 11751.5, and 11751.8 that the proposed revisions to the California Workers'

Compensation Uniform Statistical Reporting Plan—1995, the Miscellaneous Regulations for the Recording and Reporting of Data—1995 and the California Workers' Compensation Experience Rating Plan—1995 filed by the WCIRB and Sections 2318.6, 2353.1 and 2354 of Title 10 of the California Code of Regulations are hereby amended and modified in the respects specified above; and

IT IS FURTHER ORDERED that these regulations shall be effective January 1, 2021.

I HEREBY CERTIFY that the foregoing constitutes my Proposed Decision and Proposed Order in the above entitled matter as a result of my review of the record and the comments received and I hereby recommend its adoption as the Decision and Order of the Insurance Commissioner of the State of California.

August 11, 2020

A handwritten signature in blue ink, appearing to read "Patricia Hein", is written over a horizontal line.

Patricia Hein
Assistant Chief Counsel

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FILE NUMBER REG-2020-00013

DECISION AND ORDER

I hereby adopt the Proposed Decision and Proposed Order of Patricia Hein, dated August 11, 2020, in the above entitled matter as my Decision.

WHEREFORE, IT IS ORDERED that the WCIRB amend the California Workers' Compensation Uniform Statistical Reporting Plan-1995, Miscellaneous Regulations for the Recording and Reporting of Data-1995, and the California Workers' Compensation Experience Rating Plan-1995 as set forth in the Proposed Decision.

IT IS SO ORDERED THIS 26 DAY OF AUGUST, 2020.

A handwritten signature in black ink, appearing to read 'Ricardo Lara', written over a horizontal line.

RICARDO LARA
Insurance Commissioner