

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

PROPOSED DECISION

**SEPTEMBER 1, 2023 WORKERS' COMPENSATION INSURANCE
CLASSIFICATION AND RATING RULES**

FILE NUMBER REG-2023-00005

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 September 1, 2023, except for the changes to the California Workers' Compensation Uniform Statistical Reporting Plan–1995 that will be effective on September 1, 2024.

SUMMARY OF PROCEEDINGS

The California Department of Insurance ("Department") held a virtual public hearing in the above-captioned matter on April 24, 2023, at the time set forth in the Notice of Proposed Action and Notice of Public Hearing, File Number REG-2023-00005, dated March 24, 2023. A copy of the Notice is included in the record. The record closed on April 24, 2023.

The Department distributed copies of the Notices to persons and entities referenced in the record. The Notices 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 February 27, 2023, which was available for inspection by the public at the Oakland office of the Department 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 April 24, 2023. The Hearing Officer announced that the record would remain open until 5:00 p.m. on April 24, 2023, 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), effective September 1, 2023

The WCIRB proposed amendments to the USRP to be effective on September 1, 2023 and applied to policies with an effective date on or after September 1, 2023. 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 to the USRP and received no objections to those proposed amendments. 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 California Workers' Compensation Uniform Statistical Reporting Plan-1995 (USRP), effective September 1, 2024

The WCIRB proposed amendments to the USRP to be effective on September 1, 2024 and applied to policies with an effective date on or after September 1, 2024. 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 to the USRP and received no objections to those proposed amendments. 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 September 1, 2023, and applied to a policy with an effective date on or after September 1, 2023. 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 September 1, 2023 and applied as of the rating effective date of a risk on or after September 1, 2023. 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.

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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 September 1, 2023, except for those changes to the California Workers' Compensation Uniform Statistical Reporting Plan–1995 that will be effective on September 1, 2024.

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.

May 19, 2023

Yvonne Hauscarriague

Yvonne Hauscarriague
Attorney IV

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE**

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 September 1, 2023, except for those provisions that will be effective on September 1, 2024.

FILE NUMBER REG-2023-00005

DECISION AND ORDER

I hereby adopt the Proposed Decision and Proposed Order of Yvonne Hauscarriague, dated May 19 , 2023, 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 24 DAY OF MAY, 2023.

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

RICARDO LARA
Insurance Commissioner