

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

IN THE MATTER OF THE WORKERS')	CASE NO. 05-1197-PRJ,
COMPENSATION INSURANCE FILING)	Oklahoma File number
BY THE NATIONAL COUNCIL ON)	05-2833-C
COMPENSATION INSURANCE)	

FINAL ORDER

The State of Oklahoma, ex rel. Kim Holland, Insurance Commissioner, by and through her attorney, Robert Noll, alleges and states as follows:

JURISDICTION

1. Kim Holland is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, OKLA. STAT. tit. 36, §§ 101 - 7003, as well as all Insurance Department Rules, OKLA. ADMIN. CODE §§ 365:1-1-1 - 365:40-5-130.

2. The National Council on Compensation Insurance is a licensed rating and advisory organization in the State of Oklahoma, holding license number B008.

3. Pursuant to OKLA. ADMIN. CODE §§ 365:1-5-7, the Insurance Commissioner may hold hearings on any matters within the Commissioner's jurisdiction under the Insurance Code, either upon the Commissioner's own motion or upon written demand by any person aggrieved by any act, threatened act, or failure to act of the Insurance Commissioner.

4. The Insurance Commissioner, pursuant to OKLA. ADMIN. CODE §§ 365:1-5-7, upon written request reasonably made by the person affected by the hearing, and at such person's expense, shall cause a full stenographic record of the proceedings to be made by a competent court reporter.

FINDINGS OF FACT

1. Senate Bill 1X was enacted during the First Extraordinary Session of the 50th Legislature (2005), with an effective date of July 1, 2005.
2. Senate Bill 1X created Section 902.4 of the Insurance Code, as well as other statutory modifications, as well as creation of new sections in the Oklahoma Statutes.
3. By filing dated July 15th, 2005 and received by the Oklahoma Insurance Department's Property and Casualty Division on the same day, the National Council on Compensation Insurance seeks to reduce loss costs for workers' compensation insurance for its member insurers, as a result of the statutory changes enacted or modified by Senate Bill 1X.
4. The Insurance Commissioner held a hearing on July 27, 2005, for the issue of whether NCCI's filing shall stay in effect for its members, or if the Commissioner should disapprove the filing.
5. At the hearing, evidence was presented by NCCI; the Department's independent actuary also offered his opinion, following his review, of NCCI's proposal.
6. The Oklahoma Attorney General's Office, after review of the filing by their own independent actuary, has no objections to NCCI's filing.

CONCLUSIONS OF LAW

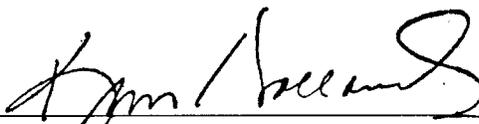
1. Pursuant to Title 36, Section 902.4, the Insurance Commissioner has reviewed NCCI's proposed filing, OK reference # 05-2833C.
2. The Commissioner, after consulting with members of the Oklahoma Insurance Department's Property and Casualty Division, and the Department's independent actuary, has no statutory reason to disapprove of NCCI's filing.

ORDER

WHEREFORE, the following order shall become effective upon filing with the Insurance Commissioner:

1. The filing by the National Council on Compensation Insurance, seeking to reduce loss costs for workers' compensation insurance for its member insurers, as a result of statutory changes enacted by the Oklahoma Legislature, is **filed**, subject to the following conditions:
 - a. Insurance Commissioner Kim Holland and the Oklahoma Insurance Department expect NCCI's member insurers to adopt the loss cost filing by October 1, 2005;
 - b. Such adoption by member insurers is applicable to:
 - i. New policies, with an effective date of July 1, 2005;
 - ii. Renewal policies, with an effective date of July 1, 2005; and
 - iii. The outstanding portion of any policy in effect on or after July 1, 2005.
 - c. Insurers may revise outstanding policies prior to the expiration date of said policy, or as part of the final audit process.
 - d. All outstanding policies must be endorsed using NCCI Rate Change Endorsement form WC 00 04 07, attached and incorporated by reference as Exhibit A.

WITNESS My Hand and Official Seal this 27 day of July, 2005.


KIM HOLLAND
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

RATE CHANGE ENDORSEMENT

Rate changes that apply to the policy have been approved by the proper regulatory authority. The changes are shown in the Schedule.

Schedule

State	Date of Change	State Coverage % Change	Longshore and Harbor Workers Act Coverage %
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Notes:

1. Use this endorsement to show a change in rates for state coverage.
2. Use the first and second columns to show the state and effective date of the change.
3. Use the third column if the change is a flat percentage applicable to all classifications.
4. Use the fourth column to show the new percentage, if any, applicable to non-F classifications for work subject to the Longshore and Harbor Workers' Compensation Act.
5. The company may show a fifth column (Classification Code Number and Rate) in order to show the change on a Schedule of Rate basis.

