

**BEFORE THE DIRECTOR OF INSURANCE
STATE OF SOUTH CAROLINA**

IN THE MATTERS OF:)
 Application of the)
)
 National Council on Compensation)
 Insurance, Inc.)
)
 For a Revision in their Workers')
 Compensation Program Loss Costs, and)
 Corrective Action Order)
)
)
 To Revise Workers' Compensation)
 Assigned Risk Rates)
 _____)

**NOTICE OF A FILING AND
CORRECTIVE ACTION ORDER**

The above-captioned rating organization has filed an overall revision of -7.0 percent in its voluntary workers' compensation loss costs. The effective date is April 1, 2018. These are loss costs and not final rates. The workers' compensation policy provides coverage to employers in conjunction with the South Carolina Workers' Compensation laws. The changes in loss costs vary depending on the classifications as follows:

**Changes to Workers' Compensation Loss Costs by Industry Group
Effective 04/01/2018**

Industry Group	Average	Maximum Increase	Maximum Decrease
Manufacturing	- 6.1 %	+ 19 %	- 31 %
Office & Clerical	- 11.8 %	+ 13 %	- 37 %
Goods & Services	- 6.1 %	+ 19 %	- 31 %
Contracting	- 6.4 %	+ 19 %	- 31 %
Miscellaneous	- 7.9 %	+ 17 %	- 33 %

Additionally, the South Carolina Department of Insurance recently issued a Corrective Action Order that increased the overall average assigned risk rate level that has been in effect since September 1, 2016. The updated assigned risk rates are effective April 1, 2018. The order has specified that for the industrial classification codes, a loss cost multiplier of 2.578 shall be applied to the South Carolina voluntary market loss costs effective April 1, 2018, the minimum premium multiplier shall be increased from 185 to 200, and the maximum minimum premium shall be increased from \$1,250 to \$1,500.

Based on the most recently available distribution of payroll by class code, the change in the assigned risk loss cost multiplier, and the voluntary market loss cost level changes effective April 1, 2018, an estimated increase of 9.7% in the assigned risk average rate level results. The increases in both the minimum premium multiplier and the maximum minimum premium will result in premium increases for some smaller policies with minimal or no payroll.

The estimated average, maximum, and minimum class level changes by industry group are as follows:

Changes to Workers' Compensation Assigned Risk Rates by Industry Group
Effective 04/01/2018

Industry Group	Average	Maximum Increase	Maximum Decrease
Manufacturing	+ 10.8 %	+ 41 %	- 19 %
Office & Clerical	+ 4.0 %	+ 34 %	- 26 %
Goods & Services	+ 10.8 %	+ 41 %	- 19 %
Contracting	+ 10.4 %	+ 41 %	- 19 %
Miscellaneous	+ 8.6 %	+ 39 %	- 21 %

Any insured or party affected by this insurance loss cost increase may request in writing by February 9, 2018 a public hearing upon the loss cost increase before the Administrative Law Court. Those requests should be forwarded to: Gwendolyn McGriff, General Counsel, South Carolina Department of Insurance, Post Office Box 100105, Columbia, South Carolina 29202-3105. A copy of the Corrective Action Order with the attached filing may be obtained at www.doi.sc.gov.

At the same time, you must also mail a copy of your request for a hearing with the Clerk of the South Carolina Administrative Law Court together with a \$100.00 filing fee to the following address: South Carolina Administrative Law Court, 1205 Pendleton Street, Suite 224, Columbia, South Carolina 292101.

Please do not send the \$100.00 filing fee to the Department of Insurance.