

31A-19a-408 Procedures for workers' compensation tiered rate filings.

- (1) Notwithstanding Section 31A-19a-214 and subject to the other provisions of this section, a workers' compensation insurer may file with the commissioner a rate filing for workers' compensation insurance that provides for a plan with more than one rate tier for a single insurer or an insurer group with common ownership if the filing shows that:
 - (a) each tier is established on underwriting rules that are based on criteria that would lead to a logical distinguishing of potential risk; and
 - (b) supporting actuarial analysis or other information that shows a clear distinction between the following for each tier:
 - (i) expected losses and expenses; and
 - (ii) actual losses and expenses.
- (2) A workers' compensation insurer shall file with the commissioner an update of the actuarial analysis or other information required under Subsection (1)(b) at least every three years.
- (3) A workers' compensation insurer may apply underwriting expertise and judgment in the tier placement process, except that underwriting expertise and judgment shall:
 - (a) be applied in a prudent manner; and
 - (b) when applied, be fair, reasonable, and fully documented.

Enacted by Chapter 242, 2011 General Session