



November 19, 2008

BUREAU CIRCULAR NO. 844

To All Members of the Bureau:

Re: **CARRIER FILINGS IN RESPONSE TO BUREAU FILING NO. 0806 –
WORKERS COMPENSATION RESIDUAL MARKET RATE AND VOLUNTARY MARKET
LOSS COST FILING – PROPOSED EFFECTIVE OCTOBER 1, 2008**

This circular is to update all members with respect to the status of Bureau Filing No. 0806 and carrier obligations with respect thereto, previously discussed in Bureau Circulars No. 840 and 843.

Senate Bill 1 requires that each Bureau member make a filing pursuant to §2609 of the Delaware Code within 60 days of Bureau Filing No. 0806 becoming effective, which (given the effective date of Bureau Filing No. 0806, October 1, 2008) is not later than November 30, 2008. Unfortunately, it now appears that additional information about final rating values effective October 1, 2008 may NOT be forthcoming from the Department of Insurance until some time AFTER carrier filings are required by law to be made.

Ambiguity concerning future regulatory action pertaining to rating values for workers compensation insurance in Delaware effective October 1, 2008 notwithstanding, ***the Bureau believes that submission of a filing in compliance with Senate Bill 1 is in the best interests of each member.*** Understanding that questions remain about future actions pertaining to rating values for workers compensation insurance in Delaware effective October 1, 2008 that the Bureau cannot answer and further understanding that those questions are critical to the preparation of reasoned and appropriate carrier filings, ***the Bureau would urge that all members prepare and submit filings in response to Bureau Filing No. 0806 to the Department of Insurance not later than November 30, 2008.*** The Bureau regrets its inability to answer a variety of questions concerning carrier filing requirements. Accordingly, while the Bureau cannot forecast the timeliness and/or content of responses that may be issued by the Department of Insurance, ***if and to the extent that members do have questions relevant to those requirements, the Bureau encourages contact and dialogue with the Department of Insurance. In the event that responses ARE obtained by any Bureau member(s), and particularly if any such responses are provided in writing, the Bureau would consider including such responses in future circulars for the benefit of all members. The Bureau thus requests that members share with the undersigned copies of communications received from the Department of Insurance pertaining to carrier filings in response to Bureau Filing No. 0806.***

The Bureau has previously released Bureau Circulars No. 840 (September 5, 2008) and No. 843 (November 6, 2008) pertaining in whole or in part to Bureau Filing No. 0806. No new information has been made available to the Bureau about this matter since the release of those circulars. As noted in Bureau Circular No. 843, the Bureau has been advised by some carriers that the Department of Insurance has taken the position that carrier filings made in response to Bureau Filing No. 0806 must use an October 1, 2008 effective date. The Bureau has asked the Department of Insurance whether or not that is the case and, if so, on what basis that position rests. Thus far no answer has been forthcoming to our inquiry. We have also asked the Department of Insurance to provide us with copies of comments and/or materials submitted by Department of Insurance staff, consultants and/or counsel pertaining to the Outstanding Legal Issues identified in the Decision and Order and/or in response to the Bureau's own submission regarding the Outstanding Actuarial Issues, as identified in the Decision and Order. To date, we have not received an acknowledgement of that request or any materials in response to it.

As stated in previous communications, the Bureau does understand and regrets the difficulties faced by all participants in the Delaware workers compensation market as uncertainty concerning the ultimate disposition of Bureau filings persists close to and even after the filings' intended effective dates. Further developments in these regards will be the subject of future circulars that will be published as promptly as possible after they may occur.

Timothy L. Wisecarver
President

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