

New Hampshire sets Oct. 24 hearing on workers comp filing

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CONCORD, N.H. — The New Hampshire Insurance Department has scheduled a public hearing for October 24 to hear evidence in support of the industry's recent proposed loss cost increase for 2004.

The National Council on Compensation Insurance (NCCI) is seeking a 0.5 percent overall increase in advisory loss costs, while for the residual market, the request is for a 15.7 percent increase.

The proposed increase in the rate differential for residual market risks would take it from 15 percent to 25 percent. NCCI is also asking for a decrease in residual market commission from 3.45 percent to 3.15 percent.

The recommendation calls for a + or- 25 percent limit on any one classification.

These filings from NCCI follow a recent history of ups and downs in rates in New Hampshire. From 2001 to 2003, voluntary market rates went up 0.9 percent, down 6.7 percent, then up 1.3 percent.

For the same period, involuntary market rates went up 5.6 percent, down 5.9 percent, and then up again 2.5 percent.

According to NCCI figures, the state's residual market has become home to an increasing number of smaller business risks. The assigned risk plan handled 5,343 policies in 2000 but a lot more in 2002—7,528. For the same years, premium went from \$8.2 million to \$25 million.

For 2002, of the total 7,528 assigned risk plan policies, 5,695 fell in the premium range of \$0 to \$2,499, generating a total of \$4.5 million.

NCCI says the residual market has swelled from 5 percent of total premium to 13.1 percent in 2002 and from 22.1 percent of total policies to 30.7 percent in 2003.

The state's residual market loss as a percentage of voluntary market written premium has consistently hovered around 1.1 percent to 1.3 percent for the past half dozen years. □