

## ***Workers' Compensation Consumer Fact Sheet***

### **Loss Cost State**

In Tennessee, insurance carriers use rates made up of “Commissioner approved” loss costs – typically filed March 1 of each year – and their own individually filed Loss Cost Multipliers (see Resources on website for listing), reflecting their expenses and other provisions. Thus, rates are not uniform.

### **Assigned Risk Plan: TWCIP**

The Tennessee Workers' Compensation Insurance Plan (TWCIP) is Tennessee's market of last resort. As of 2008, it represents about 5% of the total market. In 2009, *on average*, rates are approximately 16% above those in the voluntary/standard market. Aon is the administrator of the TWCIP. Rates, rules, and contacts can be found at <http://www.twcip.com>. Their number is 800-471-6767.

### **Designated Rate Service Organization: NCCI**

NCCI is Tennessee's designated rate service organization. They are responsible for filing with the state annual loss costs, manual rules, and classifications. For assistance with classifications and manual rules, contact 800-NCCI-123 and key in “5”.

### **Claims Inquiries & Coverage Verification: DLWD**

The Department of Labor and Workforce Development (DLWD) has Benefits Review Specialists to assist injured employees in navigating the benefits process. They can be contacted at 800-332-2667.

Stakeholders can verify coverage through the DLWD's Coverage Verification Service at <http://www.state.tn.us/labor-wfd/wcomp.html> (Under Quick Links).

### **Premium Disputes**

Should a premium dispute arise between a policyholder and a carrier or rate service organization, regulations addressing an appeal process can be found at <http://www.state.tn.us/sos/rules/0780/0780-01/0780-01-82.pdf>. If the matter involves manual rules, classifications, or rating plans used by the voluntary/standard market, the policyholder must first contact NCCI [Marueen Longanacre @ 337-462-3328 (PH.); 561-893-5852 (FX.)] to determine if the matter qualifies for the NCCI Dispute Resolution process. Assigned risk policyholders must first contact Aon [Kim Zersen @ 800-471-6767 (PH.); 402-697-0017 (FX)] before filing an appeal with the Commissioner. Be advised that there are time restrictions placed upon an appellant making a Commissioner appeal (see above regulations).

### **Commonly Referenced Workers' Compensation Statutes:**

Go to <http://www.michie.com/tennessee/lpext.dll?f=templates&fn=main-h.htm&cp=tncode>

- 50-6-102(10)(D): Seven factors to determine status of work relationships
- 50-6-113: Liability of principal intermediate contractor or subcontractor
- 56-5-323: Obligation to furnish loss run history to insured
- 56-7-1803: Prerequisites for effective notice of cancellation
- 56-7-1806: Revision of rates (rate increases over 25%)