

State of Rhode Island and Providence Plantations
DEPARTMENT OF BUSINESS REGULATION
Division of Insurance
1511 Pontiac Avenue, Bldg. 69-2
Cranston, Rhode Island 02920

Public Notice of Proposed Rule-Making

Pursuant to the provisions of R.I. Gen. Laws § 42-14-16, and in accordance with the Administrative Procedures Act Chapter 42-35 of the General Laws, the Department of Business Regulation hereby gives notice of its intent to repeal Insurance Regulation 75 Optional Workers Compensation Deductibles.

The purpose of this repeal is because the statute upon which the regulation was based has been repealed and the regulation is no longer authorized or necessary.

The proposed regulation and concise summary of non-technical amendments are available for public inspection at www.dbr.ri.gov, in person at Department of Business Regulation, 1511 Pontiac Avenue, Cranston, Rhode Island 02920, or by email edwyer@dbr.ri.gov or by calling Elizabeth Kelleher Dwyer at (401) 462 9520.

In the development of the proposed repeal consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

All interested parties are invited to submit written or oral comments concerning the proposed regulations by September 14, 2011 to Elizabeth Kelleher Dwyer, Department of Business Regulation, 1511 Pontiac Avenue, Cranston, Rhode Island 02920, edwyer@dbr.ri.gov. A public hearing to consider the proposed repeal shall be held on September 14, 2011 at 10:00 am at 1511 Pontiac Avenue, Cranston, Rhode Island 02920 at which time and place all persons interested therein will be heard.

All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at 401-462-9551, RI Relay at 7-1-1, or email directorofficeinquiry@dbr.ri.gov at least three (3) business days prior to the hearing.

Paul McGreevy
Director, Department of Business Regulation

~~State of Rhode Island and Providence Plantations~~
~~DEPARTMENT OF BUSINESS REGULATION~~
~~Division of Insurance~~
~~233 Richmond Street~~
~~Providence, RI 02903~~

~~INSURANCE REGULATION 75~~

~~OPTIONAL WORKERS' COMPENSATION DEDUCTIBLES~~

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Section 1 — Authority

This regulation is promulgated pursuant to R.I. Gen. Laws §§ 27-7.1-14 and 42-14-17.

Section 2 — Purpose

The purpose of this regulation is to require any insurer or rating organization, issuing or modifying any program providing optional deductibles for medical and indemnity benefits in this state, to provide data pursuant to R.I. Gen. Laws § 27-7.1-4(E).

Section 3 — Definitions

- A. — "Director" means the Director of Business Regulation or his or her designee.
- B. — "Insurer" means all persons, firms, corporations or associations issuing workers' compensation insurance in this state.
- C. — "Department" means the Department of Business Regulation.

Section 4 — Data for Optional Deductibles

Any insurer or rating organization issuing or causing to be modified any program providing optional deductibles for medical or indemnity benefits in this state shall include in a filing with the Director:

- ~~A. — A statement of the purpose of the program providing optional deductibles for medical or indemnity benefits;~~
- ~~B. — The background of such program;~~
- ~~C. — The manner in which such program shall be implemented;~~
- ~~D. — An appropriate form or endorsement;~~
- ~~E. — The basic manual rule or rules developed by the insurer or rating organization for such program;~~
- ~~F. — A statistical plan rule or rules developed by the insurer or rating organization for such program;~~
- ~~G. — Optional deductibles for medical and indemnity benefits in the amounts of \$250, \$500, \$1,000, \$2,500 or \$5,000 per claim, and such other reasonable amounts as may be approved by the Director pursuant to R.I. Gen. Laws § 27-1.1-14(A);~~
- ~~H. — Premium credits corresponding to the deductible levels;~~
- ~~I. — Identification of and actuarial support for, premium reduction credits by class, hazard group, and by the amount of the deductible;~~
- ~~J. — Identification of statistical codes necessary for the reporting of deductible credits;~~
- ~~K. — A mechanism by which the insurer shall pay the claim first and then seek reimbursement from the employer for any deductible amounts paid by the insurer; and~~
- ~~L. — A provision that non-payment of deductible amounts by the insured employer shall be treated in the same manner as the non-payment of premium.~~

Section 5 — Effective Date

~~This regulation shall become effective on December 22, 1993 and supersedes Insurance Regulation 51, which is hereby repealed.~~

EFFECTIVE DATE: _____ December 22, 1993
AMENDED: _____ None
REFILED: _____ December 19, 2001