

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

HOUSE

RESOLUTION NO. 1047

By: Johnson, Benson, Ferguson,  
McCorkell, Adair, Anthony,  
Askins, Bastin, Begley,  
Beutler, Blackburn, Bonny,  
Boyd (Betty), Boyd  
(Laura), Breckinridge,  
Cotner, Cox, Crocker,  
Culver, Deutschendorf,  
Dunegan, Eddins, Ervin,  
Erwin, Fields, Glover,  
Graves, Gray, Hager,  
Hamilton, Hastings,  
Hefner, Hiett, Hilliard,  
Hutchison, Kinnamon,  
Kirby, Langmacher, Leist,  
Mass, Matlock, Mitchell,  
Morgan, Paulk, Peltier,  
Perry, Plunk, Pope (Clay),  
Pope (Tim), Rhodes, Rice,  
Roach, Roberts, Ross,  
Sadler, Satterfield,  
Seikel, Settle, Smith  
(Bill), Smith (Dale),  
Staggs, Stanley, Steidley,  
Stites, Stottlemire,  
Taylor, Thomas,  
Thornbrugh, Toure, Tyler,  
Voskuhl, Weaver, Webb,  
Weese, Wells and Widener

AS INTRODUCED

A Resolution relating to workers' compensation; encouraging the State Board for Property and Casualty Rates to consider the effects of recent workers' compensation reforms on workers' compensation rates; requesting a rate decrease based on the recent reforms; and directing distribution.

WHEREAS, over the past three years, the Oklahoma State Legislature has enacted numerous workers' compensation reforms including establishing and funding a Workers' Compensation Fraud Unit, expanding a workers' compensation counseling program to educate employers and employees on the workers' compensation system,

authorizing certified workplace medical plans to provide workers with better quality care at lower costs, expediting delivery of benefits to injured workers, and providing for increased monitoring of workers' eligibility for temporary disability benefits; and

WHEREAS, the State Board for Property and Casualty Rates is responsible for approving the rates and rating plans filed by insurers pursuant to Section 900.1 et seq. of Title 36 of the Oklahoma Statutes; and

WHEREAS, in last year's order disapproving the National Council on Compensation Insurance (NCCI) application for a 14.2% increase in workers' compensation rates, the State Board for Property and Casualty Rates found that, based on the testimony of its actuary, Mark Crawshaw, and other experts, including the Attorney General's actuary, Martin Simons, and experts appearing on behalf of NCCI, an overall quantifiable factor of -1.9% was directly attributable to the reforms contained in House Bill No. 1002 of the 2nd Extraordinary Session of the 43rd Oklahoma Legislature (HB 1002); and

WHEREAS, the NCCI filed an application with the State Board for Property and Casualty Rates requesting a 2.6% increase in workers' compensation rates for 1996; and

WHEREAS, in response to NCCI's request for a rate increase, Mark Crawshaw, the actuary retained by the State Board for Property and Casualty Rates, presents a range of possible action up to a 13% decrease in workers' compensation rates, with his specific recommendation being a 5.4% decrease, 2.5% of which is directly attributable to the workers' compensation reforms of HB 1002; and

WHEREAS, in response to NCCI's request for a rate increase, Martin Simons, the Attorney General's actuary, recommends a 7.2% decrease in workers' compensation rates based wholly on experience and trend adjustments.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES  
OF THE 2ND SESSION OF THE 45TH OKLAHOMA LEGISLATURE:

THAT the Oklahoma House of Representatives encourages the State Board for Property and Casualty Rates to carefully consider the workers' compensation reforms of HB 1002 along with the other reforms passed in recent years when reviewing the NCCI application for a workers' compensation rate increase.

THAT the Oklahoma House of Representatives encourages the State Board for Property and Casualty Rates to approve an appropriate decrease in workers' compensation rates in light of the positive effects of the recent workers' compensation reforms.

THAT the Oklahoma House of Representatives does not presume to make any recommendation regarding experience and trend adjustments, but rather requests a decrease in workers' compensation rates based on recent reforms in addition to any decrease in rates based on experience and trend adjustments as recommended by the Attorney General's actuary and the Board's actuary.

THAT copies of this resolution shall be distributed to the members of the State Board for Property and Casualty Rates, the Attorney General of Oklahoma and the State Insurance Commissioner.

45-2-9121

JAK