

**Bulletin 15**

**WORKMEN'S COMPENSATION INSURANCE -- DEVIATION FILINGS**

June 5, 1964

It has come to the attention of the Department that companies filing downward premium rate deviations are not following in all instances, the provisions of Indiana Code 27-7-2-13(a) of the Indiana Insurance Code.

The above Indiana Code 27-7-2-13(a) permits the use of a premium rate less than the approved maximum premium rate, promulgated by the Rating Bureau, for any individual contract or policy, provided that within ten (10) days from the date of issuance of such contract or policy the company shall file with the Department the rate or premium charged on such contract or policy for the Department's action on approval. As a binder is a contract of insurance, the ten (10) days referred to above shall date from the issuance of the binder or policy, whichever is first issued.

In some instances, such as interstate rated risks, experience information upon which a deviation filing will be based will not be available at the time the binder or policy is issued. The Department will permit the company to file with the Department a "letter of intent to deviate" within the 10 day period prescribed by statute, that upon receipt of the necessary data the actual filing will be made. The actual filing, in such cases, shall be made within sixty (60) days from the date of issuance of the binder or policy, whichever is first issued.

A rewrite of a binder or policy retroactive to the effective date of the original binder or policy to obtain a new date of issue will not be permitted. Furthermore, any deviation approved by the Department applies for the entire period of the policy for which it was filed and not necessarily to the next normal anniversary date of the risk. In cases where the deviated policy is subject to a change in manual rates and bureau modification during the course of the policy period, the change is to be effected without disturbing the original deviation approved for the policy.

To provide for uniformity in promulgating deviations, premiums and losses should be rounded to the nearest dollar in order for the Department to consider whole percentage deviations.

The form used in filing deviations has space in the upper left hand corner to show the policy number that the filing applies to. In the future no filing will be considered by this Department as being complete unless this information is furnished.

Effective immediately the Department will only consider filings made in the above manner.

Please advise your Indiana office the contents of this letter.

Harry E. McClain  
Insurance Commissioner