

# Regulatory Analysis Form

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IRRC Number: 2050

(1) Agency

Insurance Department

(2) I.D. Number (Governor's Office Use)

11-186

(3) Short Title

Discounting Workers' Compensation Loss Reserves

(4) PA Code Cite

31 Pa. Code, Chapter 116, §§116.1-116.9

(5) Agency Contacts & Telephone Numbers

Primary Contact: Peter J. Salvatore, Regulatory Coordinator,  
1326 Strawberry Square, Harrisburg, PA 17120, (717) 787-4429  
Secondary Contact:

(6) Type of Rulemaking (check one)

- ☒ Proposed Rulemaking  
☐ Final Order Adopting Regulation  
☐ Final Order, Proposed Rulemaking Omitted

(7) Is a 120-Day Emergency Certification Attached?

- ☒ No  
☐ Yes: By the Attorney General  
☐ Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The purpose of this proposed rulemaking is to amend Chapter 116 of Title 31 of the Pennsylvania Code to make it consistent with current economic and financial conditions and with current accounting, actuarial and financial practices. The regulation, adopted in 1987, identified the procedural and reporting requirements and the restrictions associated with the discounting of workers compensation reserves. The original regulation anticipated, at Section 116.9, that it could become necessary to suspend and/or modify this regulation because of sufficiently changed economic conditions. The Department's observation is that economic conditions in general, including inflationary expectations and interest rates, have changed dramatically since this regulation was adopted. For example, yields on five year Treasury securities were at double digit levels in the mid 1980's and are now at approximately 5.6%. The existing regulation is outdated and should be revised.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

The Department proposes to repeal this regulation under the authority of the act of May 17, 1921, P.L. 682, No. 284 (40 P.S. §§341-999); the act of May 17, 1921, P.L. 789, No. 285 (40 P.S. §§1-321); and sections 206, 506, 1501 and 1502 of the Administrative Code of 1929 (71 P.S. §§66, 186, 411 and 412).

## **Regulatory Analysis Form**

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

No.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The Insurance Department seeks to amend Chapter 116, §§116.1-116.9 to be consistent with the authorizing statute. Moreover, it is in the public interest to amend confusing and outdated regulatory requirements.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

There are no public health, safety, environment or general welfare risks associated with this rulemaking.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

Generally, all parties (that is, insurers, consumers and the Department) will benefit. The Regulation will be consistent with current actuarial and accounting practice and with current economic conditions. It will help to assure continued availability in the marketplace of this product.

### **Regulatory Analysis Form**

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

There will be no adverse effects on any party as a result of the adoption of this regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

The regulation applies to all insurers licensed to sell workers' compensation insurance and who do business in the Commonwealth.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

Comments regarding the repeal of this regulation were not solicited from the various trade associations representing the insurance industry.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The amendment of the regulation will not have any impact on costs associated with insurance companies.

### **Regulatory Analysis Form**

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

There are no costs or savings to local governments associated with this rulemaking.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

There are no costs or savings associated to state government associated with this rulemaking.

## Regulatory Analysis Form

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years. N/A

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
<b>Total Savings</b>						
<b>COSTS:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Revenue Losses</b>						

(20a) Explain how the cost estimates listed above were derived.

N/A.

## Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.  
N/A.

Program	FY -3	FY -2	FY -1	Current FY

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

No costs or adverse effects are anticipated as a result of this regulation.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Amending Chapter 116, §§116.1-1186.9 is the most efficient method to achieve consistency with the authorizing statute. No other alternatives were considered.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No other regulatory schemes were considered. The amendment of the regulation is the most efficient method of updating the regulatory requirements.

### **Regulatory Analysis Form**

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

No.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The rulemaking will not put Pennsylvania at a competitive disadvantage with other states. It merely provides for consistency with the statute.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No public hearings or informational meetings are anticipated.

### **Regulatory Analysis Form**

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

The amendment of the regulation imposes no additional paperwork requirements on the Department, insurers, or the general public.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The rulemaking will have no effect on special needs of affected parties.

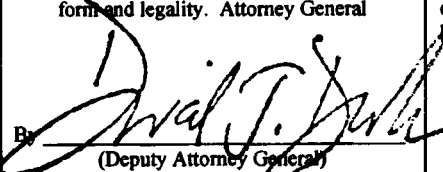

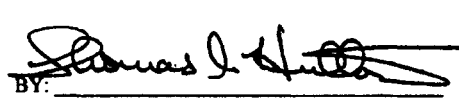
(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The rulemaking will undergo a 30-day public comment period and will take effect upon approval of the final form regulation by the legislative standing committees, the Office of the Attorney General, and the Independent Regulatory Review Commission and upon final publication in the *Pennsylvania Bulletin*.

(31) Provide the schedule for continual review of the regulation.

The Department reviews each of its regulations for continued effectiveness on a triennial basis.



CDL-1  <b>FACE SHEET FOR FILING DOCUMENTS WITH THE LEGISLATIVE REFERENCE BUREAU</b>  (Pursuant to Commonwealth Documents Law)  <div style="text-align: right;">#2050</div>		99 AUG -3 AM 9:31  REVIEWED DO NOT WRITE IN THIS SPACE
Copy below is hereby approved as to form and legality. Attorney General   BY: _____ (Deputy Attorney General)  _____ Date of Approval  ☐ Check if applicable. Copy not approved. Objections attached.	Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by: Insurance Department _____ (AGENCY)  DOCUMENT/FISCAL NOTE NO. 11-186  DATE OF ADOPTION: _____  BY:  M. Diane Koken Insurance Commissioner  TITLE: _____ (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)	Copy below is hereby approved as to form and legality. Executive or Independent Agencies   BY: _____  6/22/99 DATE OF APPROVAL  (DEPUTY GENERAL COUNSEL) (CHIEF COUNSEL, INDEPENDENT AGENCY) (STRIKE INAPPLICABLE TITLE)  ☐ Check if applicable. No Attorney General approval or objection within 30 days after submission.

## Insurance Department

### Notice of Proposed Rulemaking

31 PA Code, Chapter 116  
§§116.1-116.9

Discounting Workers' Compensation Loss Reserves

## **PREAMBLE**

The Insurance Department ("Department") hereby proposes to amend Title 31, Pennsylvania Code, Chapter 116, §§ 116.1-116.9, Discounting of Workers Compensation Loss Reserves, as set forth in Annex A, under the authority of the act of May 17, 1921, P.L. 682, No. 284 (40 P.S. §§341-999); the act of May 17, 1921, P.L. 789, No. 285 (40 P.S. §§1-321); and sections 206, 506, 1501 and 1502 of the Administrative Code of 1929 (71 P.S. §§66, 186, 411 and 412).

### **Purpose**

Chapter 116 was initially promulgated to establish procedural and reporting requirements for the discounting of workers compensation loss reserves. The purpose of this proposed rulemaking is to amend Chapter 116 of Title 31 of the Pennsylvania Code to make it consistent with current economic and financial conditions and with current accounting, actuarial and financial practices. The original regulation anticipated, at section 116.9, that it could become necessary to suspend and/or modify this regulation because of sufficiently changed economic conditions. The Department's observation is that economic conditions in general, including inflationary expectations and interest rates, have changed dramatically since this regulation was adopted. For example, yields on five year Treasury securities were at double digit levels in the mid 1980's and are now at approximately 5.6%. The existing regulation is outdated and should be revised

### **Explanation of Regulatory Requirements**

Section 116.2 (relating to reporting and data collection requirement) requires insurance companies to discount worker's compensation loss reserves utilizing a table provided in section 116.3. Section 116.2 has been deleted because the section 116.3 table is inconsistent with current economic and financial conditions and does not provide needed flexibility to address changing conditions. Section 116.2 requires that insurance companies file an annual actuarial certification of worker's compensation loss reserves with the Insurance Department simultaneously with their annual statements. This requirement has been deleted as redundant because insurance companies are currently required to file an actuarial Statement of Opinion with their annual statements. The requirement of a separate certification was eliminated to avoid unnecessary duplication. Section 116.2 also requires that insurance companies provide a written notice to the Insurance Department of their intent to maintain data regarding worker's compensation loss payment patterns, which shall be regularly compiled and submitted to the Insurance Department on request. This requirement has also been deleted as redundant because insurance companies are currently required to maintain underlying actuarial workpapers containing this type of information by the annual and quarterly statement instructions prescribed by the National Association of Insurance Commissioners. Section 320 of the Insurance Company Law of 1921, P.L. 682, No. 284 (40 P.S. §443(a)(2)), requires insurance companies to adhere to these instructions in preparing annual and quarterly financial statements.

Section 116.3, Table, provides a table to be utilized when insurance companies discount worker's compensation loss reserves. Section 116.3 has been deleted because the table is inconsistent with current economic and financial conditions and does not provide needed flexibility to address changing conditions.

Section 116.4, Restrictions on discounting loss reserves, establishes restrictions on the total amount of loss reserves calculated pursuant to this regulation and establishes maximum interest rates that may be used. References to the section 116.3 table have been deleted to be consistent with the deletion of section 116.3. References to specific maximum interest rates have been deleted and additional language has been added to establish a maximum interest rate tied to the current yield to maturity on United States Treasury debt instruments. Section 116.4 has also been revised to permit insurance companies to apply to the Insurance Department for an exception to the maximum interest rate. These revisions provide insurance companies and the Insurance Department with needed flexibility to address changing economic and financial conditions.

Section 116.5, Actuarial certification, requires that an actuarial certification of worker's compensation loss reserves to be filed with an insurance company's annual statement. References to the actuarial certification have been deleted as redundant because insurance companies are currently required to file an actuarial Statement of Opinion with their annual statements. The requirement of a separate certification was eliminated to avoid unnecessary duplication. Section 116.5 has been revised to require that the actuarial opinions currently required as part of the Actuarial Certification are included in the Actuarial Statement of Opinion

Section 116.6, Reserves for Loss Adjustment Expenses, establishes standards for loss adjustment reserves. Section 116.6 has been revised to include references to an Actuarial Statement of Opinion rather than an Actuarial Certification.

Section 116.7, Modification of Table, permits property and casualty insurance companies to modify the section 116.3 table with the approval of the Insurance Department. Section 116.7 has been deleted to be consistent with the deletion of the table in section 116.3.

Section 116.8, Increased loss reserves and loss adjustment expenses, permits the Insurance Department to require insurance companies to maintain greater loss reserves and loss adjustment expenses than would otherwise be required by the regulation. Section 116.8 has been revised to delete a reference to the section 116.3 table.

Section 116.9, Suspension of the use of the table permits the Insurance Department to suspend use of the section 116.3 table if changed economic conditions make the table inappropriate. Section 116.9 has been revised to eliminate reference to the section 116.3 table and make clear that changing economic and financial conditions, rather than simply declining interest rates, may make this regulation inappropriate. The

revisions to section 116.9 grant the Insurance Department needed flexibility to deal with changing economic and financial conditions.

### **Fiscal Impact**

There is no fiscal impact as a result of the amendment of this regulation.

### **Paperwork**

The amendment of this regulation will affect all licensed workers compensation insurers domiciled in the Commonwealth.

### **Effectiveness/Sunset Date**

The rulemaking will become effective upon final publication in the Pennsylvania Bulletin. No sunset date has been assigned.

### **Contact Person**

Questions or comments regarding the proposed rulemaking may be addressed in writing to Peter J. Salvatore, Regulatory Coordinator, 1326 Strawberry Square, Harrisburg, Pennsylvania 17120, within 30 days following publication of this notice in the Pennsylvania Bulletin.

### **Regulatory Review**

Under section 5(a) of the Regulatory Review Act, (71 P.S. §745.5(a)), the agency submitted a copy of this regulation on August 3, 1999 to the Independent Regulatory Review Commission and to the Chairmen of the House Insurance Committee and the Senate Banking and Insurance Committee. In addition to the submitted regulation, the agency has provided the Commission and the Committees with a copy of a detailed Regulatory Analysis Form prepared by the agency in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of that material is available to the public upon request.

If the Commission has any objections to any portion of the proposed amendments, it will notify the agency within 30 days after the close of the public comment period. The notification shall specify the regulatory review criteria which have not been met by that portion. The Regulatory Review Act specifies detailed procedures for the agency, the Governor and the General Assembly to review these objections before final publication of the regulations.

M. Diane Koken  
Insurance Commissioner

CONTINUATION SHEET FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)

ANNEX A

Title 31. Insurance. Part VII. Property, Fire and Casualty Insurance, Chapter 116, Discounting of Workers Compensation Loss Reserves

Sec.

116.1. Definitions.

116.2. [Reporting and data collection requirements.] **Reserved.**

116.3. [Table.] **Reserved.**

116.4. Restrictions on discounting loss reserves.

116.5. Actuarial [certification] **Statement of Opinion.**

116.6. Reserves for loss adjustment expenses.

116.7. [Modification of the table.] **Reserved.**

116.8. Increased loss reserves and loss adjustment expense reserves.

116.9. Suspension of use of [the table] **this chapter to discount workers compensation loss reserves.**

**§ 116.1. Definitions.**

The following words and terms, when used in this chapter, have the following meanings:

*Actuary*-A member of the American Academy of Actuaries or an individual who has demonstrated to the satisfaction of the Department that he has the educational background necessary for the practice of actuarial science and that he has not less than 7 years of actuarial experience.

*Annual statement*-The National Association of Insurance Commissioners (NAIC) convention blank for property and casualty companies adopted by the Commissioner under section 320 of The Insurance Company Law of 1921 (40 P. S. § 443).

*Commissioner*-The Insurance Commissioner of the Commonwealth.

*Department*-The Insurance Department of the Commonwealth.

*Insurance company*-A licensed stock or mutual fire or casualty insurer, licensed reciprocal insurance exchange, employers mutual liability insurance association organized under section 636 of the Insurance Company Law of 1921 (40 P. S. § 781) or the State Workers Insurance Fund.

*Loss adjustment expense reserves*-The amount set aside as of the annual statement date to provide for the future costs of settling worker's compensation losses whether or not specifically allocated to a given claim.

*Loss reserves*-The amount set aside as of the annual statement date to provide for the payment of future losses under worker's compensation policies issued by insurance companies.

#### **§ 116.2. [Reporting and data collection requirements.**

For loss reserves established by insurance companies under sections 312-316 of the Insurance Department Act of one thousand nine hundred and twenty-one (40 P. S. §§ 111-115), a company is permitted to discount the reserves to their present value utilizing the table provided in § 116.3 (relating to table) if the company complies with the following requirements:

- (1) The insurance company shall file an annual actuarial certification of its worker's compensation loss reserves with the Department simultaneously with the filing of the company's annual statement.
- (2) The insurance company shall provide a written notice to the Department stating its intent to maintain data regarding the company's worker's compensation loss payment patterns. The data shall be regularly compiled and submitted to the Department upon request.] **Reserved.**

#### **§ 116.3. [Table.**

(a) The following table shall be utilized when an insurance company discounts worker's compensation loss reserves as of its annual statement date at a 6% interest rate.

<i>Discount Factor to be Applied to Undiscounted Losses Outstanding for Each Accident Year</i>	
<i>Accident Year</i>	<i>Discount Factor</i>
1	0.182
2	0.185
3	0.214

4	0.238
5	0.256
6	0.268
7	0.275
8	0.279
9	0.277
10	0.273
11	0.271
12	0.265
13	0.257
14	0.246
15	0.233
16	0.218
17	0.201
18	0.184
19	0.166
20	0.147
21	0.125
22	0.103
23	0.081
24	0.055
25	0.029

(b) Accident year one corresponds to the calendar year for which the annual statement is prepared for filing with the Department. Accident year two is the year immediately preceding accident year one.] **Reserved.**

#### **§ 116.4. Restrictions on discounting loss reserves.**

The discounting of **workers compensation** loss reserves is subject to the following limitations:

(1) The loss reserves on the insurance company's annual statement calculated under **this section** [the table set forth in § 116.3 (relating to table)] may not be less than those required in section 313 of The Insurance Department Act of [one thousand nine hundred and twenty-one] **1921** (40 P. S. § 112).

(2) An insurance company is not permitted to assume an interest rate greater than **the current yield to maturity on a United States Treasury debt instrument with maturities consistent with the expected payout of the liabilities** [6% in calculating its loss reserves].

(3) [Insurance companies which do not qualify or which elect not to utilize the table in § 116.3 may only calculate discounts at a rate of 4% interest or less as set forth at section 313 of The Insurance Department Act of one thousand nine hundred and twenty-one (40 P. S. § 112).] **An insurance company may request an exception to the maximum interest rate in paragraph (2) if the insurance company can demonstrate to the satisfaction of the Commissioner that its investment yield justifies a higher interest rate assumption. The Commissioner may require the insurance company to submit additional documentation to support its request for approval of a higher interest rate assumption. The Commissioner will act upon requests for exceptions made under this paragraph within 90 days of the date the request is received by the Insurance Department.**

#### **§ 116.5. Actuarial [certification] Statement of Opinion.**

(a) [The actuarial certification required in this chapter shall be prepared by an actuary and filed by the insurer with its annual financial statement.

(b) The actuarial certification shall be filed each year in which the insurer discounts its loss reserves under the table in § 116.3 (relating to table).]

(c) The actuarial] **The Actuarial Statement of Opinion required to be submitted with the annual statement** shall include the opinion of an actuary with respect to the following:

(i) The adequacy of workers compensation loss reserves on an undiscounted basis.



(ii) The sufficiency of the investment yield on invested assets to fund the discount.

(iii) The reasonableness of the matching of the invested assets and loss reserves attributable to the worker's compensation business to provide an adequate income stream to fund the discount.

**[(d)The actuarial] (b) The Actuarial Statement of Opinion, as it pertains to discounting, shall be determined in accordance with Actuarial Standard of Practice No. 20, Discounting of Property and Casualty Loss and Loss Adjustment Expense.**

#### **§ 116.6. Reserves for loss adjustment expenses.**

(a) Loss adjustment expense reserves shall be calculated with the following standards:

(1) Insurance companies are not permitted to discount loss adjustment expense reserves which are not applicable to specific claims.

(2) Insurance companies are permitted to discount loss adjustment expense reserves which are allocable to specific claims if they can demonstrate, to the satisfaction of the Commissioner, the validity of their assumptions underlying the calculation of the reserves. The insurance company shall provide an [actuarial certification] **Actuarial Statement of Opinion** which includes the opinion of the actuary with respect to the [three] criteria set forth in § 116.5 (relating to [actuarial certification] **Actuarial Statement of Opinion**).

(b) In evaluating an insurance company's request to discount allocated loss adjustment expense reserves, the Commissioner will consider the company's specific loss adjustment expense pattern and the interest rate assumption.

#### **§ 116.7. [Modification of the table.**

A property and casualty insurance company may modify the table in section 116.3 (relating to table) in calculating loss reserves if the modification is approved by the Commissioner. To obtain approval of the Commissioner, the insurance company shall submit a written request that includes data regarding the following:

(1) The specific company's loss payment pattern based on its worker's compensation experience which would support a greater discount than that calculated through the application of the table.

(2) An actuarial certification which substantiates that the variance in loss reserves produced by the modification is adequate.] **Reserved.**

**§ 116.8. Increased loss reserves and loss adjustment expense reserves.**

The Commissioner may require an insurance company to maintain loss reserves at a greater level than those which result from the application of [the table] **this chapter**, and allocated loss adjustment expense reserves at a level greater than those calculated under § 116.6 (relating to reserves for loss adjustment expenses) where he determines it is necessary to insure that reserves are established at an adequate level.

**§ 116.9. Suspension of use of [the table] this chapter to discount workers compensation loss reserves.**

If the [assumed interest rate utilized in the table in section 116.3 (relating to table)] **restrictions specified in section 116.4** become[s] no longer reasonable due to [declining interest rates] **changing economic and financial conditions**, or if the payment of claims accelerates, the Commissioner may, upon [a finding] **determining** that changed economic conditions make [the table] **this chapter** inappropriate, suspend use of [the table] **this chapter** upon the publication of reasonable notice. The Commissioner may also set standards for the calculation of reserves following the suspension.



**COMMONWEALTH OF PENNSYLVANIA  
INSURANCE DEPARTMENT**

**OFFICE OF SPECIAL PROJECTS  
1326 Strawberry Square  
Harrisburg, PA 17120**

**Phone: (717) 787-4429  
Fax: (717) 705-3873  
E-mail: psalvato@ins.state.pa.us**

August 3, 1999

Mr. Robert Nyce  
Executive Director  
Independent Regulatory Review Comm.  
333 Market Street  
Harrisburg, PA 17120

Re: Insurance Department  
Proposed Regulation No. 11-  
186, Discounting Workers'  
Compensation Loss Reserves

Dear Mr. Nyce:

Pursuant to Section 5(a) of the Regulatory Review Act, enclosed for your information and review is proposed regulation 31 Pa. Code, Chapter 116, Discounting Workers' Compensation Loss Reserves.

Chapter 116 was initially promulgated to establish procedural and reporting requirements for the discounting of workers compensation loss reserves. The purpose of this proposed rulemaking is to amend Chapter 116 to make it consistent with current economic and financial conditions and with current accounting, actuarial and financial practices. The original regulation anticipated that it could become necessary to suspend and/or modify this regulation because of sufficiently changed economic conditions. The Department's observation is that economic conditions in general, including inflationary expectations and interest rates, have changed dramatically since this regulation was adopted. For example, yields on five year Treasury securities were at double digit levels in the mid 1980's and are now at approximately 5.6%. The existing regulation is now outdated and should be revised.

If you have any questions regarding this matter, please contact me at (717) 787-4429.

Sincerely yours,

A handwritten signature in cursive script that reads "Peter J. Salvatore".

Peter J. Salvatore  
Regulatory Coordinator

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE  
REGULATORY REVIEW ACT**

**I.D. NUMBER:** 11-186  
**SUBJECT:** Discounting Workers' Compensation Loss Reserves  
**AGENCY:** DEPARTMENT OF INSURANCE

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**TYPE OF REGULATION**

- ☒ Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
- a. With Revisions                      b. Without Revisions

**FILING OF REGULATION**

DATE	SIGNATURE	DESIGNATION
8-3-99	<i>B. Proplager</i>	HOUSE COMMITTEE ON INSURANCE
<hr/>		
8/3/99	<i>Senise Patton</i>	SENATE COMMITTEE ON BANKING & INSURANCE
<hr/>		
8/3/99	<i>Kim C. Garner</i>	INDEPENDENT REGULATORY REVIEW COMMISSION
<hr/>		
		ATTORNEY GENERAL
<hr/>		
8-3-99	<i>C. Lee</i>	LEGISLATIVE REFERENCE BUREAU

July 14, 1999