



B U L L E T I N

October 1, 2008

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R.C. 2187

To the Members of the Board

**Re: Experience Ratings
For Former Self-Insured Risks**

In R.C. Bulletin 2186, dated September 16, 2008, you were provided with information regarding the promulgation of experience ratings for former self-insured risks.

As a result of additional inquiries that have been received by the Rating Board, please be further advised of the following:

- When a risk that was formerly self-insured enters the insurance market, it will receive a 1.00 experience modification unless it submits a signed ERM-6 to the Rating Board that contains the required data necessary to qualify for experience rating.
- Since experience ratings previously generated by self-insured trusts cannot be verified by the Rating Board, these ratings will not be acceptable at the time that a former self-insured enters the insurance market.
- Because of the circumstances underlying the current exit from the self-insured market, it is advisable for carriers to review the ERM-6 data prior to the submission of these forms to the Rating Board.
- Upon receipt of the ERM-6, the Rating Board will promulgate an experience rating for the former self-insured risk as soon as possible.
- If an ERM-6 has been submitted, but the experience rating has not been issued by the Rating Board prior to the effective date of the policy for a former self-insured risk, the carrier should advise the insured that its initial 1.00 experience rating is not final and is subject to change once the Rating Board completes the processing of its ERM-6 data and promulgates an official experience rating.

Very truly yours,

Monte Almer

President

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