

**INSURANCE DIVISION[191]**

**Adopted and Filed**

**Rulemaking related to workers' compensation insurance rate filing procedures**

The Insurance Division hereby rescinds Chapter 60, “Workers’ Compensation Insurance Rate Filing Procedures,” Iowa Administrative Code, and adopts a new chapter with the same title.

*Legal Authority for Rulemaking*

This rulemaking is adopted under the authority provided in Iowa Code section 515A.7.

*State or Federal Law Implemented*

This rulemaking implements, in whole or in part, Iowa Code chapter 515A.

*Purpose and Summary*

The purpose of this rulemaking is to rescind Chapter 60 and adopt a new Chapter 60 with revisions that remove unnecessarily restrictive terms and provide additional clarity. The adopted chapter clarifies and guides insurers regarding the deviations in workers’ compensation filings as permitted under Iowa Code section 515A.7.

*Public Comment and Changes to Rulemaking*

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on January 24, 2024, as **ARC 7355C**. Public hearings were held on February 15, 2024, at 10 a.m. and 3 p.m. at 1963 Bell Avenue, Suite 100, Des Moines, Iowa. No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

*Adoption of Rulemaking*

This rulemaking was adopted by Douglas Ommen, Iowa Insurance Commissioner, on February 29, 2024.

*Fiscal Impact*

This rulemaking has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rulemaking, no impact on jobs has been found.

*Waivers*

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 191—Chapter 4.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rulemaking will become effective on April 24, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 191—Chapter 60 and adopt the following **new** chapter in lieu thereof:

CHAPTER 60

WORKERS' COMPENSATION INSURANCE RATE FILING PROCEDURES

**191—60.1(515A) Purpose.**

**60.1(1)** The purpose of this chapter is to set forth filing procedures and parameters for rates as required by Iowa Code chapter 515A.

**60.1(2)** Nothing herein shall be construed to create or imply a private cause of action for a violation of this chapter.

**191—60.2(515A) Definitions, scope, authority.**

**60.2(1)** The definitions in Iowa Code section 515A.2 are incorporated into this chapter by this reference. In addition, the following definitions shall apply:

*"Division"* means the Iowa insurance division.

*"SERFF"* means the National Association of Insurance Commissioners' System for Electronic Rate and Form Filing.

**60.2(2)** This chapter shall apply only to workers' compensation liability insurance.

**60.2(3)** This chapter is issued under the authority of Iowa Code section 505.8 and chapter 515A.

**191—60.3(515A) General filing requirements.**

**60.3(1)** Insurers required to file rates with the division shall submit required rate filings and any fees required for the filings electronically using SERFF. Insurers must comply with the division's requirements, including both the Iowa general instructions and the specific submission requirements for the type of insurance for which the companies are submitting forms or rates, as set out on the SERFF website at [serff.com](http://serff.com).

**60.3(2)** No rate filing shall include any adjustment designed to recover underwriting or operating losses incurred out of state. Upon request by the division, insurers doing business in Iowa shall segregate in their rate filings data from any state identified by the division, and the filings shall include a certification that no portion of any rate increase is designed to recover underwriting or operating losses incurred in another state.

**191—60.4(515A) Rate or manual rule filing.**

**60.4(1)** Every insurer, either on its own or via a licensed rating organization, shall file with the division, pursuant to provisions of Iowa Code chapter 515A, every manual, minimum, class rate, rating schedule or rating plan and every other rating rule, and every modification of any of the foregoing that it proposes to use.

Every insurer shall adhere to the filings made on its behalf by a rating organization except that any such insurer may file a deviation from the class rates, schedules, rating plans, or rules, or a combination thereof, at any time during the year and, once approved, the deviation need only be refiled to propose changes to any filing.

**60.4(2)** An insurer may file for approval by the division a uniform percentage rate deviation to be applied to the class rates of the rating organization's filing.

*a.* A rate deviation from the approved class rates of a rating organization shall not exceed 15 percent nor shall it cause the rate charged a policyholder to exceed the approved assigned risk rates but must state whether or not the proposed deviation is to be applied to minimum premiums.

*b.* In the event that an insurer has an existing approved filing for which the deviation results in rates above those approved for the assigned risk, the insurer must use the same deviation as approved

for the assigned risk effective the same date as the approval of the assigned risk rates. A filing must be made confirming use of the new deviation on that date.

**60.4(3)** Schedule rating may be used by any company, regardless of whether that company has an approved deviation. The maximum modification allowed for schedule rating is 15 percent for individual policies.

**191—60.5(515A) Violation and penalties.** Any insurer found after hearing to have violated a provision of this chapter shall be deemed to have committed an unfair trade practice under Iowa Code chapter 507B and shall be subject to the penalties set forth in Iowa Code chapter 507B.

**191—60.6(515A) Severability.** If any provision of this chapter or the application thereof to any person or circumstance is held invalid for any reason, the invalidity shall not affect the other provisions or any other application of these rules that can be given effect without the invalid provisions or application. To this end, all provisions of these rules are declared to be severable.

**191—60.7(515A) Effective date.** These rules are effective as of April 24, 2024, and apply to acts or practices committed on or after January 1, 2009.

These rules are intended to implement Iowa Code section 515A.7.

[Filed 3/1/24, effective 4/24/24]

[Published 3/20/24]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/20/24.