



# NORTH CAROLINA INDUSTRIAL COMMISSION

## January 2020 Quarterly Update

### Full Commission Section and General / Administrative Updates

- A notice of proposed rulemaking by the Commission was published in the January 15, 2020 North Carolina Register. A link to the notice of proposed rulemaking can be found at <https://www.ic.nc.gov/proposedGroup3TortSecureLeaveand26ARules.html>.

A **public hearing** on the seven proposed rule amendments and one proposed rule adoption will be held on **Thursday, January 30, 2020 at 2 p.m.** in **Room 240** of the **Department of Insurance, Albemarle Building, 325 N. Salisbury Street, Raleigh NC 27603**. **The comment period ends on March 16, 2020**. Comments may be submitted to Gina Cammarano, Rulemaking Coordinator, by email at [gina.cammarano@ic.nc.gov](mailto:gina.cammarano@ic.nc.gov) or by U.S. mail at 1240 Mail Service Center, Raleigh, NC 27699-1240.

- The Industrial Commission Bulletin was updated in December of 2019 and can be found on the Commission's website under "Quick Links," or can be found at <https://www.ic.nc.gov/bulletin.pdf>. The Bulletin is important for providing a layperson's explanation of the Workers' Compensation Act for *pro se* litigants, insurance adjusters, and other non-lawyers.

### Claims Section

- The Claims Section is referring cases in which defendants have failed to comply with either a sanctions order or an order to file a Form 60, 61, or 63 to Deputy Commission Moore, who is placing the cases on the enforcement docket.

### Criminal Investigations & Employee Classification Division

- Following the formation of the new Criminal Investigations & Employee Classification Division, 102 employers were identified and investigated for misclassifying employees during the second quarter of Fiscal Year 2019-20. These employers have been or will be referred to the NC Division of Employment Security.

## **North Carolina Workers' Compensation Insurance Costs Set to Decrease Again in 2020**

- A 10% decrease in the Voluntary Market loss costs, which impacts rates for approximately 88% of the North Carolina workers' compensation market, has been approved by the Department of Insurance to become effective April 1, 2020. This 10.3% decrease follows previous decreases in recent years.
- The North Carolina Rate Bureau attributes the rate decrease to insurance carriers having fewer workers' compensation claims and having lower costs per claim (11.5% decrease over prior year).
- According to the Rate Bureau, the decrease in the number of workers' compensation claims is likely attributable, at least in part, to improved workplace safety efforts. The North Carolina Industrial Commission provides a list of safety training courses and course providers, as well as a list of safety education links, on its website.
- The decrease in the costs per claim likely reflects the amended NCIC Medical Fee Schedule, which brings medical costs in the workers' compensation system closer to the national average by tying medical payments to Medicare rates.