Work Comp Matters

Issue 108

There is Sunshine in the Sunshine State!

A Florida circuit judge has blocked the 14.5% workers' compensation rate increase due to go into effect Dec. 1 after finding that the insurers' rating organization and state officials did not comply with the state's Sunshine Laws and open meeting requirements in setting the new rates.

On the day before Thanksgiving, Leon County Circuit Court Judge Karen Gievers ruled that the rate increase negotiated between the National Council on Compensation Insurance (NCCI), which represents insurers, and the state regulators within the Office of Insurance Regulation (OIR), cannot go into effect and that NCCI must turn over documents requested by the plaintiff in the case.

The Sunshine Law challenge was brought by James Fee, a Miami attorney who represents injured workers. Fee claimed, and the judge agreed, that NCCI was in violation of the Sunshine Laws in holding "multiple, non-public, secret meetings" internally and with the OIR over the rates. NCCI claims it has complied with applicable open meeting and other Sunshine Laws on transparency and says it will appeal the ruling.

"NCCI is very disappointed in the decision of the Leon County Circuit Court. We

continue to believe that NCCI and the Florida OIR have fully complied with the law. NCCI plans to appeal the trial court's decision," NCCI said in a statement.

Amy Bogner, spokesperson for the OIR, said the agency is still reviewing the ruling to determine the next steps.

So, does this mean my work comp policy that renews on or after December 1st won't be hit with the 14.5% work comp rate increase?

Yes, barring a successful appeal by the NCCI before this Thursday, December 1st, your rates will **not** increase.

What happens next?

Enjoy this good news for the time being and we will keep you updated as developments occur.

Best Regards,

Kevin

(portions of this update came from www.insurancejournal.com)

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