

2705.1700 CONTENTS OF RATEMAKING REPORT.

Subpart 1. **Statutory and other data.** A ratemaking report shall meet all requirements of Minnesota Statutes, sections 79.55, subdivision 8, and 79.61, subdivision 1, clause (c) and, in addition, may contain information useful to data service organization members regarding factors pertinent to Minnesota workers' compensation business such as legislative concerns, Workers' Compensation Reinsurance Association operations, loss control programs, and programs developed by insurers that may be of interest and applicability to workers' compensation insurers.

Subp. 2. **Minimum content.** A ratemaking report shall include:

A. a compilation of financial data collected under Minnesota Statutes, section 79.61, reconcilable to that reported by insureds in the insureds' annual financial statements to the commissioner;

B. a compilation of reporting classification data collected under Minnesota Statutes, section 79.61;

C. an analysis and calculation of factors to adjust reported premium and loss data to an ultimate development level;

D. a calculation of factors to reflect any benefit level changes mandated by statute or by the courts;

E. the development of a schedule of pure premium base rates using the data reported by insurers and the factors calculated in item C;

F. a schedule of pure premium relativities, based on the pure premium base rate schedule;

G. an analysis and calculation of factors to adjust loss data for loss adjustment expenses;

H. an analysis and calculation of trended data to reflect future conditions;

I. a calculation of any other quantitative factor or modifications and a description of any subjective considerations reflected in the determination of pure premiums in a manner so as to permit insurers to evaluate and modify the factors and considerations based on their own interpretations of underlying data; and

J. a calculation of any other quantitative factors required to maintain advisory discount factors as defined in Minnesota Statutes, section 79.52, subdivision 8 and advisory merit rating plans as defined in Minnesota Statutes, section 79.52, subdivision 9.

Subp. 3. **Dissemination.** The ratemaking report shall be disseminated to all members of the data service organization. In addition, the data service organization and the commissioner shall each make a copy of the ratemaking report available for public inspection during normal working hours.

Statutory Authority: *MS s 45.023; 79.51; 79.55 to 79.61*

History: 8 SR 2273; 31 SR 323; 46 SR 1177

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