

Department of Commerce**Proposed Expedited Rules Relating to Workers' Compensation Ratemaking****2705.0200 DEFINITIONS.**

[For text of subparts 1 to 6, see Minnesota Rules]

Subp. 7. **Pure premium base rate schedule.** A "pure premium base rate schedule" is a set of pure premium rates ~~with no adjustments~~ that include provisions for trend ~~and with only partial, ultimate~~ loss development ~~reflecting some additional development but not developed to the ultimate expected loss level,~~ and loss adjustment expense.

[For text of subparts 8 to 12, see Minnesota Rules]

2705.1700 CONTENTS OF RATEMAKING REPORT.

[For text of subpart 1, see Minnesota Rules]

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

A. a compilation of financial data collected under Minnesota Statutes, section 79.61 ~~without adjustments for either premium or loss development or trend.~~ Financial data ~~must be,~~ reconcilable to that reported by insureds in ~~their~~ the insureds' annual financial statements to the commissioner;

B. a compilation of reporting classification data collected under Minnesota Statutes, section 79.61 ~~without adjustments for either premium development or loss development or premium trend or loss trend;~~

C. ~~a~~ an analysis and calculation of factors to adjust reported premium and loss data to ~~a common~~ an ultimate development level. ~~The development level is subject to approval by the commissioner;~~

[For text of items D to F, see Minnesota Rules]

~~G. an analysis and calculation of factors to adjust reported premium and loss data to an expected ultimate level. The analysis shall be in detail so as to permit insurers to select and modify the factors based on their own interpretations of underlying loss data for loss adjustment expenses;~~

~~H. an analysis and calculation of trended data to reflect future conditions through the use of factors or some other method. The analysis shall be in detail so as to permit insurers to select and modify the factors or utilize other trending methods based on their own interpretations of underlying data;~~

[For text of items I and J, see Minnesota Rules]

[For text of subpart 3, see Minnesota Rules]