

304.13-410 Premium reduction for deductible workers' compensation policy.

- (1) An employer policyholder who selects a deductible workers' compensation policy shall be granted a premium reduction by the insurer. The premium reduction shall be calculated by the insurer in accordance with administrative regulations promulgated by the commissioner and shall be fully disclosed to the employer policyholder in writing.
- (2) For ratemaking purposes, the premium reduction granted to an employer policyholder in accordance with the provisions of subsection (1) of this section shall be applied and considered prior to the application of experience modification adjustments, premium surcharges, or premium discounts.
- (3) In addition to the provisions contained in subsection (2) of this section, only the net experience of an employer policyholder, which results after application of the deductible amount, rather than the gross experience of the employer policyholder, shall be used by the insurer or advisory organization in the calculation and preparation of workers' compensation rates. Violation of the provisions of this subsection shall constitute grounds for the suspension or revocation of the license of an insurer or advisory organization in the manner prescribed in KRS Chapter 304.13-320.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1146, effective July 15, 2010. -- Created 1992 Ky. Acts ch. 446, sec. 2, effective July 14, 1992.