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INSURANCE COMMISSIONER
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**OKLAHOMA INSURANCE DEPARTMENT
STATE OF OKLAHOMA**

BULLETIN NO. PC 2012-03

TO: Insurers Authorized to Write Workers' Compensation Insurance

RE: Single Premium Weighted Loss Cost Multiplier

FROM: Denise Engle, Deputy Commissioner of Workers' Compensation
Rate and Form Compliance Division, Licensing and Continuing Education Division

DATE: December 11, 2012

The Oklahoma Insurance Department (OID) proposes to collect and display, on the OID website, a single Workers' Compensation Loss Cost Multiplier for each Workers' Compensation insurer that will be calculated in the same manner for all insurers.

In addition to the Loss Cost Multiplier (LCM) being filed, insurers will need to provide a singular premium weighted LCM for the insurer's Workers' Compensation program by replacing the current LCM(s) with the proposed LCM(s) to determine the premium weight.

Insurers will need to provide the number of LCMs to be used by the insurer with the minimum LCM and maximum LCM. (For example, if an insurer has five LCMs the statement to the OID would look like this: Premium weighted LCM is 1.333, five LCMs filed, minimum LCM is 1.15 and maximum LCM is 1.63. [\(Please see the attached illustration for further detail.\)](#))

If the insurer has only one LCM filed, please state so and that will be the LCM displayed by the OID.

Questions or comments applicable to this bulletin should be directed to Cuc Nguyen (Cuc.Nguyen@oid.ok.gov) or Greg Lawson (Greg.Lawson@oid.ok.gov), Oklahoma Insurance Department, Five Corporate Plaza, 3625 NW 56th, Suite 100, Oklahoma City, OK 73112.

The Oklahoma Insurance Department encourages readers of this notice to periodically check the Department's website <http://oid.ok.gov> for news and updates to [bulletins](#) and other relevant material.