

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**1511 Pontiac Avenue, Bldg. 69-2**  
**Cranston, Rhode Island 02920**

**Public Notice of Proposed Rule-Making**

Pursuant to the provisions of R.I. Gen. Laws § 42-14-16, and in accordance with the Administrative Procedures Act Chapter 42-35 of the General Laws, the Department of Business Regulation hereby gives notice of its intent to repeal Insurance Regulation 54 Workers' Compensation Annual Report.

The purpose of this repeal is that the statute that provided for the filing of the report, R.I. Gen. Laws §§ 27-7.1- 7.2, has been repealed.

The proposed regulation and concise summary of non-technical amendments are available for public inspection at [www.dbr.ri.gov](http://www.dbr.ri.gov) , in person at Department of Business Regulation, 1511 Pontiac Avenue, Cranston, Rhode Island 02920, or by email [edwyer@dbr.ri.gov](mailto:edwyer@dbr.ri.gov) or by calling Elizabeth Kelleher Dwyer at (401) 462 9520.

In the development of the proposed repeal consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

All interested parties are invited to submit written or oral comments concerning the proposed regulations by January 26, 2012 to Elizabeth Kelleher Dwyer, Department of Business Regulation, 1151 Pontiac Avenue, Cranston, Rhode Island 02920, [edwyer@dbr.ri.gov](mailto:edwyer@dbr.ri.gov). A public hearing to consider the proposed repeal shall be held on January 26, 2012 at 10:00 am at 1511 Pontiac Avenue, Cranston, Rhode Island 02920 at which time and place all persons interested therein will be heard.

All are welcome at the Rhode Island Department of Business Regulation ("DBR"). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at 401-462-9551, RI Relay at 7-1-1, or email [directorofficeinquiry@dbr.ri.gov](mailto:directorofficeinquiry@dbr.ri.gov) at least three (3) business days prior to the hearing.

Paul McGreevy  
Director, Department of Business Regulation

**State of Rhode Island and Providence Plantations**  
**DEPARTMENT OF BUSINESS REGULATION**  
*Division of Insurance*  
**233 Richmond Street**  
**Providence, RI 02903**

**INSURANCE REGULATION 54**

**WORKERS' COMPENSATION ANNUAL REPORT**

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***Section 1*** — **Authority**

This regulation is promulgated pursuant to R.I. Gen. Laws §§ ~~27-7.1-7.2 and 42-14-1 et seq.~~

***Section 2*** — **Purpose**

The purpose of this Regulation is to require every insurer writing Workers' Compensation insurance to file an annual report with the Director providing the information enumerated in Section 4 of this Regulation.

***Section 3*** — **Definitions**

For the purpose of this Regulation:

- A. ~~"Director" means the Director of Business Regulation or his or her designee.~~
- B. ~~"Insurer" means all persons, firms, corporations or associations authorized to offer workers' compensation insurance in this State on a direct basis, including individual and group self insured plans.~~
- C. ~~"Annual Report" means claim information about losses governed by the Rhode Island Workers' Compensation Act, including both voluntary and residual market business, with separate data reported for each.~~

~~D. — A "Lump Sum Settlement" is a payment made to terminate an obligation for future payments. Structured settlements shall be included as lump sum settlements.~~

~~E. — "Claim" shall mean all demands for payment by or on behalf of one person arising from one occurrence.~~

~~**Section 4 — Filing of Workers' Compensation Annual Report**~~

~~Every insurer shall file the annual report with the Director, by May 15 of each year for the previous twelve (12) month period ending December 31st. The annual report shall contain the following information:~~

~~A) — Payments to attorneys retained by claimants;~~

~~B) — Payments made to or on behalf of attorneys retained by the insurer. Insurers utilizing the services of staff attorneys shall include the actual costs and expenses of such services which are attributable to Rhode Island Workers' Compensation claims (internal cost allocation systems may be used to determine the amount reportable provided they fairly represent the actual cost to the insurer);~~

~~C) — Total payments made to physicians, surgeons and other medical experts and facilities for services not related to the treatment or care management of claimants. The costs of expert medical testimony and medical evaluations performed on behalf of the insurer or at the direction of the Workers' Compensation Court shall be reported in this category;~~

~~D) — The number of claims and the amount of indemnity benefits paid periodically;~~

~~E) — The number of claims and the amount of indemnity benefits paid in lump sum settlements;~~

~~F) — All medical payments on claims governed by the Rhode Island Workers' Compensation Act; and~~

~~G) — Loss prevention services and expenses;~~

~~H) — The director may also order the insurers to perform closed claim studies regarding losses and expenses related to vocational rehabilitation, physical therapy, chiropractic services, safety programs or such other matters as he deems appropriate.~~

~~The Report shall include, for items (A) through (C) above, all calendar year payment information collected from all claims resulting from occurrences on and after~~

~~January 1, 1993; and, for items (D) through (F), all calendar year payments, separated into those resulting from occurrences prior to 1993 and those resulting from occurrences on and after January 1, 1993.~~

~~*Section 5*~~ *Effective Date*

~~This regulation shall become effective January 1, 1993.~~

EFFECTIVE DATE: ~~January 1, 1993~~  
AMENDED: ~~None~~  
REFILED: ~~December 19, 2001~~