LOUISIANA DEPARTMENT OF INSURANCE
JAMES J. DONELON
COMMISSIONER
http://www.ldi.state.la.us

ADVISORY LETTER NO. 09-01

TO: ALL INSURANCE COMPANIES ENGAGED IN THE BUSINESS OF MARKETING WORKERS' COMPENSATION INSURANCE PRODUCTS IN THE STATE OF LOUISIANA

FROM: JAMES J. DONELON, COMMISSIONER OF INSURANCE

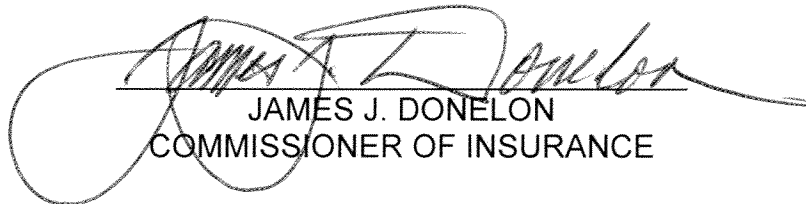**RE:** WAIVER OF SUBROGATION CHARGES

DATE: FEBRUARY 4, 2009

Advisory Letter No. 09-01 emphasizes the regulatory authority of the Louisiana Commissioner of Insurance and the Louisiana Department of Insurance (LDOI) relative to the approval of rate and policy form filings used in conjunction with the marketing of workers' compensation insurance products in the state of Louisiana. In particular, the LDOI, in its review of workers' compensation rate filings, has adopted guidelines relative to charges that can be imposed in conjunction with waiver of subrogation provisions that may be issued as part of some workers' compensation insurance policies. These guidelines are as follows:

1. The charge for a blanket waiver of subrogation shall be 2 percent (2%) of the total standard premium assessed.

2. The charge for a specific waiver of subrogation shall be 5 percent (5%) of the total standard premium assessed.

In acknowledging that workers' compensation insurance products are regarded by the LDOI as commercial property and casualty insurance products, any and all proposed rate filing applications made in conjunction with such products and the approval of those rate filing applications will be subject to the review process as set forth in Chapter 4, Part IV, Subpart O of the Louisiana Insurance Code, specifically LSA-R.S. 22:1451, et seq. (redesignated from LSA-R.S. 22:1401 by Acts 2008, No. 415, effective January 1, 2009).

For questions or comments, please contact the Louisiana Department of Insurance, Office of Property and Casualty, Insurance Rating Division, by phone at (225) 342-1258.

Baton Rouge, Louisiana, this 4th day of February, 2009.

JAMES J. DONELON
COMMISSIONER OF INSURANCE