

**WEST VIRGINIA
SECRETARY OF STATE
JOE MANCHIN, III
ADMINISTRATIVE LAW DIVISION**

Form #2

Do Not Mark In This Box

FILED

2003 JUN 27 P 3:13

OFFICE WEST VIRGINIA
SECRETARY OF STATE

NOTICE OF A COMMENT PERIOD ON A PROPOSED RULE

AGENCY: WV Board of Risk & Insurance Management TITLE NUMBER: 115

RULE TYPE: Legislative CITE AUTHORITY: WV Code § 29-12-14

AMENDMENT TO AN EXISTING RULE: YES ☐ NO ☒

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 7

TITLE OF RULE BEING PROPOSED: Terms and Conditions Pertaining To Members of Self-Insurance
Pools Who Wish to Participate in State Insurance Programs

IN LIEU OF A PUBLIC HEARING, A COMMENT PERIOD HAS BEEN ESTABLISHED DURING WHICH ANY INTERESTED PERSON MAY SEND COMMENTS CONCERNING THESE PROPOSED RULES. THIS COMMENT PERIOD WILL END ON July 28, 2003 AT 4:00 p.m. ONLY WRITTEN COMMENTS WILL BE ACCEPTED AND ARE TO BE MAILED TO THE FOLLOWING ADDRESS:

Charles E. Jones, Jr., Executive Director

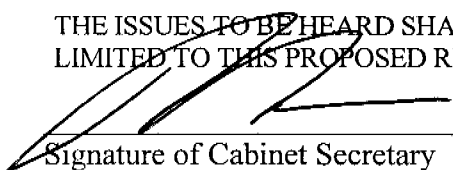
WV Board of Risk & Insurance Mgmt.

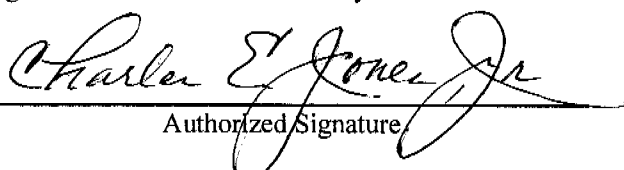
Suite 203

90 MacCorkle Ave., SW

South Charleston, WV 25303

THE ISSUES TO BE HEARD SHALL BE
LIMITED TO THIS PROPOSED RULE.


Signature of Cabinet Secretary


Authorized Signature

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

Rule Title: Title 115 - Series 7

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Terms & Conditions Pertaining to Members of Self-Insurance Pools who wish to Participate in State Insurance Programs

Type of Rule: X Legislative Interpretive Procedural

Agency WV Board of Risk & Insurance Management
Address 90 MacCorkle Ave., SW
Suite 203
South Charleston, WV 25303

1. Effect of Proposed Rule

	ANNUAL FISCAL YEAR				
	INCREASE	DECREASE	CURRENT	NEXT	THEREAFTER
ESTIMATED TOTAL COST	\$0	\$0	\$0	\$0	\$0
PERSONAL SERVICES	\$0	\$0	\$0	\$0	\$0
CURRENT EXPENSE	\$0	\$0	\$0	\$0	\$0
REPAIRS & ALTERATIONS	\$0	\$0	\$0	\$0	\$0
EQUIPMENT	\$0	\$0	\$0	\$0	\$0
OTHER	\$0	\$0	\$0	\$0	\$0

2. Explanation of above estimates:
N/A

3. Objectives of these rules:
N/A

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

This bill could help the financial integrity of BRIM's SB3 pool, as members would not be frequently coming in and out of the pool. This allows for a more stable premium rate and more of an opportunity for BRIM to recoup losses generated from these entities.

Rule Title: Title 115 - Series 7

- B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of Citizens.
N/A
- C. Economic Impact on Citizens/Public at Large.
N/A

Date: 6/25/03

Signature of Agency Head or Authorized Representative

Charles E. Jones

Signature of Cabinet Secretary

[Signature]

115 CSR 7

**TITLE 115
BOARD OF RISK AND INSURANCE MANAGEMENT**

**SERIES 7
MANDATORY WAITING PERIODS AND MINIMUM CONTRACT TERMS
FOR ENTITIES REENTERING INTO AN INSURANCE PROGRAM**

STATEMENT OF CIRCUMSTANCES REQUIRING THIS RULE

In House Bill 2122 (March 5, 2003) and House Bill 2003 (March 8, 2003), the West Virginia Legislature provided that the Board of Risk and Insurance Management has authority to create rules with regard to the application of its programs. The legislature gave political subdivisions the right to procure liability insurance and self-insurance. Because this rule affects insurance programs administered by the Board of Risk and Insurance Management, the West Virginia Legislature gave the Board of Risk and Insurance Management the authority to set minimum contract terms for entities participating in insurance programs and mandatory waiting periods for reentry into insurance programs for entities which have terminated coverage through the board.

The purpose of this proposed rule is to create language that indicates the mandatory waiting time period and minimum contract terms for entities entering or reentering into an insurance program administered by the Board of Risk and Insurance Management.

115 CSR 7

**TITLE 115
BOARD OF RISK AND INSURANCE MANAGEMENT**

**SERIES 7
MANDATORY WAITING PERIODS AND MINIMUM CONTRACT TERMS
FOR ENTITIES REENTERING INTO AN INSURANCE PROGRAM**

BRIEF SUMMARY OF PROPOSED RULE

In House Bill 2122 (March 5, 2003) and House Bill 2003 (March 8, 2003), the West Virginia Legislature provided that the Board of Risk and Insurance Management has authority to create rules surrounding the application of its programs. In particular, it gave the Board authority to create rules for minimum contract terms and mandatory waiting periods for entry and/or reentry into insurance programs for entities which seek to obtain coverage or have terminated coverage through the Board.

The purpose of this proposed rule is to create language that dictates the mandatory waiting time period and minimum contract term for entities entering or reentering into an insurance program administered by the Board of Risk and Insurance Management, as newly enacted legislation allows the Board to do.

TITLE 115
LEGISLATIVE RULE
BOARD OF RISK AND INSURANCE MANAGEMENT

SERIES 7
TERMS AND CONDITIONS PERTAINING TO MEMBERS OF SELF-INSURANCE
POOLS WHO WISH TO PARTICIPATE IN STATE INSURANCE PROGRAMS

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Section	Heading
§ 115-7-1.	General.
§ 115-7-2.	Definitions.
§ 115-7-3.	Mandatory Waiting Period for Reentry
§ 115-7-4.	Condition for Entry or Reentry to Covered Program

**TITLE 115
LEGISLATIVE RULE
BOARD OF RISK AND INSURANCE MANAGEMENT**

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**SERIES 7
TERMS AND CONDITIONS PERTAINING TO MEMBERS OF SELF-INSURANCE
POOLS WHO WISH TO PARTICIPATE IN STATE INSURANCE PROGRAMS**

OFFICE WEST VIRGINIA
SECRETARY OF STATE

§ 115-7-1. General.

1.1. Scope. -- This rule establishes minimum terms and conditions for members of self-insurance programs and/or pools established pursuant to House Bill 2003 (March 8, 2003), [§29-12A-16] who wish to leave the program and/or pool and purchase subsequent insurance coverage from the state board of risk and insurance management.

1.2. Authority. -- W.Va. Code § 29-12-14.

1.3. Filing Date. -- _____

1.4. Effective Date. -- _____

§ 115-7-2. Definitions.

- 2.1. "Board" means the state board of risk and insurance management.
- 2.2. Entity means any political subdivision, charitable or public service organization and emergency medical services agency, as defined in § 29-12-5, which is eligible for and/or purchases insurance coverage provided by and through the board.
- 2.3. "Covered program" means insurance coverage procured/administered by the board pursuant to § 29-12-1 et seq.

§ 115-7-3. Mandatory Waiting Period for Reentry

- 3.1. When an entity chooses to leave the covered program for a self-insurance program and/or pool established pursuant to House Bill 2003 (March 8, 2003), [§29-12A-16], that entity must wait a period of five (5) years from the date of its departure from the covered program before it will again be eligible to participate in the covered program.

§ 115-7-4. Condition for Entry or Reentry to Covered Program

- 4.1 A condition precedent for entry or reentry into a covered program by an entity leaving a self-insurance program and/or pool established pursuant to House Bill 2003 (2003), [§ 29-12A-16], shall be that the entity agree in writing that it will remain in the covered program for a minimum of three (3) years.



BOB WISE
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
OFFICE OF THE CABINET SECRETARY

TOM SUSMAN
ACTING CABINET SECRETARY

June 25, 2003

Via Hand-Delivery

The Honorable Joe Manchin, III
Secretary of State
Building 1, Suite 157K
1900 Kanawha Boulevard, East
Charleston, WV 25305

Re: Legislative Rules

Dear Secretary Manchin,

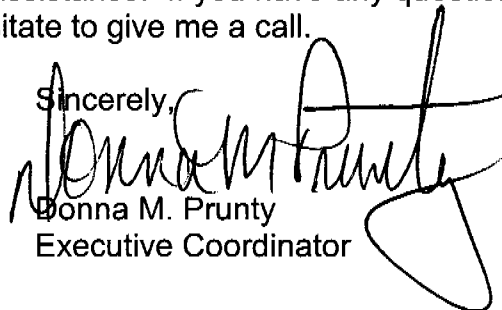
I am enclosing an original and one copy of the documents listed below for filing. The proposed rules are being filed in regard to Terms and Conditions Pertaining to Members of Self-Insurance Pools Who Wish to Participate in State Insurance Programs. I will provide a copy of the enclosed documents to the Legislative Rule Making Review Committee once they are marked filed by your office.

The documents enclosed consist of the following:

1. Notice of Comment Period on a Proposed Rule,
2. Statement of Circumstance and Brief Summary,
3. Proposed Rules, and
4. Fiscal Note for Proposed Rules.

Thank you very much for your assistance. If you have any questions, or need any additional information, please do not hesitate to give me a call.

Sincerely,



Donna M. Prunty
Executive Coordinator

DMP:dp

Enclosures

cc: Tom Susman, Acting Cabinet Secretary

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
BOARD OF RISK AND INSURANCE MANAGEMENT



90 MACCORKLE AVENUE SW, SUITE 203
SOUTH CHARLESTON, WV 25303

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www.state.wv.us/brim

BOB WISE
GOVERNOR

GREGORY A. BURTON
CABINET SECRETARY

Title 115
Legislative Rules
Board of Risk and Insurance Management

Series 7
Terms and Conditions Pertaining to Members of Self-Insurance
Pools Who Wish to Participate in State Insurance Programs

CONSENT TO FILING

I, Tom Susman, Acting Cabinet Secretary to the Department of Administration, do hereby consent to the filing of Title 115, Series 7, titled "Terms and Conditions Pertaining to Members of Self-Insurance Pools Who Wish to Participate in State Insurance Programs."

6/26/03
Date

[Signature]
Tom Susman, Acting Cabinet Secretary
Department of Administration