

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

Form #3 ■

Do Not Mark In This Box

FILED

2003 AUG -1 P 4: 51

OFFICE WEST VIRGINIA
SECRETARY OF STATE

**NOTICE OF AGENCY APPROVAL OF A PROPOSED RULE
AND
FILING WITH THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE**

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

CITE AUTHORITY: WV Code § 29-12-14

AMENDMENT TO AN EXISTING RULE: YES ☐ NO ☒

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

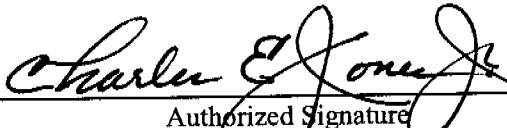
TITLE OF RULE BEING AMENDED: _____

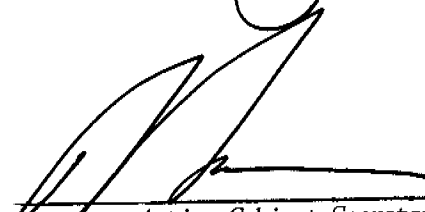
IF NO, SERIES NUMBER OF RULE BEING PROPOSED: 7

TITLE OF RULE BEING PROPOSED: Terms and Conditions Pertaining to Members of Self-

Insurance Pools Who Wish to Participate in State Insurance Programs

THE ABOVE PROPOSED LEGISLATIVE RULE HAVING GONE TO A PUBLIC HEARING OR A PUBLIC COMMENT PERIOD IS HEREBY APPROVED BY THE PROMULGATING AGENCY FOR FILING WITH THE SECRETARY OF STATE AND THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE FOR THEIR REVIEW.


Authorized Signature


Acting Cabinet Secretary

QUESTIONNAIRE

(Please include a copy of this form with each filing of your rule: Notice of Public Hearing or Comment Period; Proposed Rule, and if needed, Emergency and Modified Rule.)

DATE: July 30, 2003

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: (Agency Name, Address & Phone No.) WV Board of Risk and Insurance Management
90 MacCorkle Avenue, S.W., Suite 203
South Charleston, WV 25303
(304) 766-2646

LEGISLATIVE RULE TITLE: Title 115, Series 7 - Terms and Conditions Pertaining to
Members of Self-Insurance Pools Who Wish to Participate in State Insurance Programs

1. Authorizing statute(s) citation WV Code § 29-12-14

2. a. Date filed in State Register with Notice of Hearing or Public Comment Period:

June 27, 2003

b. What other notice, including advertising, did you give of the hearing?

c. Date of Public Hearing(s) *or* Public Comment Period ended:

July 28, 2003

d. Attach list of persons who appeared at hearing, comments received, amendments, reasons for amendments.

Attached _____

No comments received X

- e. Date you filed in State Register the agency approved proposed Legislative Rule following public hearing: (be exact)

- f. **Name, title, address and phone/fax/e-mail numbers** of agency person(s) to receive all written correspondence regarding this rule: (Please type)

Jeff VanGilder, General Counsel

WV Board of Risk and Insurance Management

90 MacCorkle Avenue, S.W., Suite 203

South Charleston, WV 25303

(304) 766-2646

(304) 766-2653 - fax

- g. **IF DIFFERENT FROM ITEM 'f',** please give **Name, title, address and phone number(s)** of agency person(s) who wrote and/or has responsibility for the contents of this rule: (Please type)

Same

3. If the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

- a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

Not Applicable

- b. Date of hearing or comment period:

Not Applicable

- c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

Not Applicable

- d. Attach findings and determinations and reasons:

Attached Not Applicable

115 CSR 7

TITLE 115

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**

BRIEF SUMMARY OF COMMENTS RECEIVED WITH REGARD

TO PROPOSED RULE

No comments were received. Therefore, no response is necessary.

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.

115CSR7
Title 115
Legislative Rules
State Board of Risk and Insurance Management
Series 7
Public Entities Insurance Program

TABLE OF CONTENTS

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**

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

FILED

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**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.

□
APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Title 115, Series 7
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 and Insurance Management
90 MacCorkle Ave., S.W., Suite 203

Address: 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

Rule Title: Title 115, Series 7

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.

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: 7/31/03

Signature of Agency Head or Authorized Representative:

Charles E. Jones Jr.

Tom Susman
Tom Susman, Acting Cabinet Secretary
Department of Administration