



DOMESTIC AND FOREIGN INSURERS BULLETIN NO. 141

TO: ALL INSURANCE CARRIERS AUTHORIZED TO TRANSACT BUSINESS IN DELAWARE

RE: GUIDANCE REGARDING HB 228 – AMENDMENTS TO CHAPTER 25 REGARDING REVIEW AND APPROVAL OF RATE FILINGS

DATED: September 19, 2023

The purpose of this bulletin is to inform insurance carriers of the passage of House Bill No. 228 of the 152nd General Assembly (“HB 228”) and to clarify to which lines of business it applies.

Background

For decades, insurers have complied with Department requests to delay implementation of filed rates when made necessary by actuarial review schedules. With the complexity and number of filings both increasing and attempts in both our state and others to forgo the common practice of awaiting approval, HB 228 amends Chapter 25 of Title 18 to:

- Extend the timeline for filing and reviewing insurers’ rate filing by:
 - Requiring rate filings to be filed at least 60 days in advance of the proposed effective date; and
 - Authorizing the Commissioner to extend the timeframe to review the filing and postpone the effective date of the filing pending completion of the extended review; and
- Set forth the process for when the Commissioner proposes to deny a rate filing and require that a filing may not become effective until a final order is issued.

HB 228 was signed by the Governor on August 31, 2023 and became effective upon signing.

Application of HB 228

During the stakeholder conversations regarding HB 228, carriers requested clarification as to whether HB 228 applies to workers compensation rate filings, citing an apparent conflict between 18 *Del. C.* § 2506(c) and 18 *Del. C.* § 2610(a)(1) & (3). Chapter 26 of Title 18, entitled “Workers’ Compensation Rating” applies specifically to workers’ compensation rate filings. Carriers should continue to use, and the Department will apply, the rate filing rules of Chapter 26 when making workers’ compensation rate filings.

◆INSURANCE.DELAWARE.GOV◆

1351 W. NORTH ST., SUITE 101, DOVER, DELAWARE 19904-2465

(302) 674-7300 DOVER◆ (302) 259-7554 GEORGETOWN◆ (302) 577-5280 WILMINGTON

Questions, comments, or requests for clarification about this Bulletin should be emailed to doi_rate@delaware.gov.

This Bulletin shall be effective immediately and shall remain in effect unless withdrawn or superseded by subsequent law, regulation or bulletin.



Trinidad Navarro
Delaware Insurance Commissioner

NOTE: This Bulletin is intended solely for informational purposes. It is not intended to set forth legal rights, duties, or privileges, nor is it intended to provide legal advice. Readers should consult applicable statutes and rules and contact the Delaware Department of Insurance if additional information is needed.