



WEST VIRGINIA INSURANCE BULLETIN No. 23-03

Insurance Bulletins are issued when the Commissioner renders formal opinions, guidance or expectations on matters or issues, explains how new statutes or rules will be implemented or applied, or advises of interpretation or application of existing statutes or rules.

► Workers' Compensation Regulatory Surcharge ◀

This Insurance Bulletin is to provide guidance regarding the workers' compensation regulatory surcharge, effective July 1, 2023, for private market policies and self-insured employers. The Insurance Commissioner is required by W. Va. Code §23-2C-3 to assess and collect a surcharge that is designed to cover the costs of the Commissioner's regulation of self-insured employers and the workers' compensation private carrier market. The private carrier regulatory surcharge is to be reviewed and determined every five (5) years, while the self-insured employer regulatory surcharge is to be set every fiscal year.

REGULATORY SURCHARGE – PRIVATE MARKET INSURANCE – For policies with an effective date of July 1, 2023 or later, the private market carrier surcharge is **5.0%**. This surcharge is to be assessed on the premium due as well as on “the total of all premium discounts based on deductible provisions that were applied” in arriving at the premium due. Moreover, the regulatory surcharge must be assessed on actual premium and not estimated premium. The surcharge must be remitted on a quarterly basis. *See* W. Va. Code §23-2C-3(1)(B). The annual tax forms include a schedule for the surcharge and a more detailed explanation of the surcharge computations entitled “Workers' Compensation Surcharge Applicability Summary” can be found under the Financial Accounting/Tax Unit section of the OIC's website (www.wvinsurance.gov). Questions related to the private market surcharge should be directed to Rhonda Hartwell via email at Rhonda.C.Hartwell@wv.gov or by calling 304.414.8470.

REGULATORY SURCHARGE – SELF-INSURED EMPLOYERS –The FY2024 regulatory surcharge for self-insured employers will be **.14%**, effective July 1, 2023. This regulatory surcharge is assessed as a percentage of the self-insured employer's payroll and is reported and remitted to the OIC on a quarterly basis utilizing the forms provided by the Insurance Commissioner. Questions related to the self-insurance surcharge should be directed to Angie Shepherd via email at Angela.H.Shepherd@wv.gov or by calling 304.414.7740.

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Insurance Commissioner