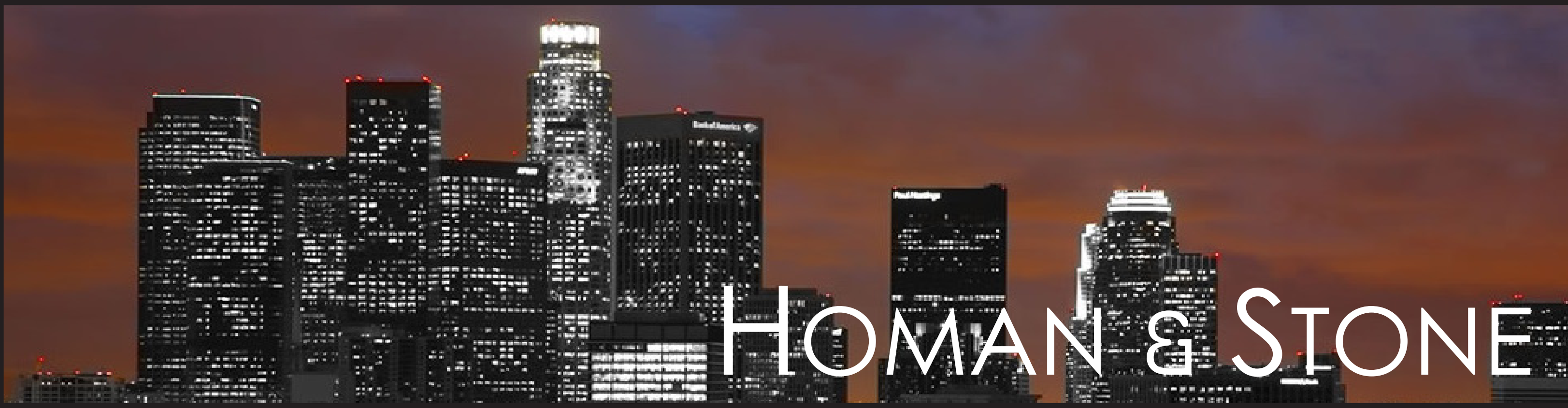

HOMAN & STONE

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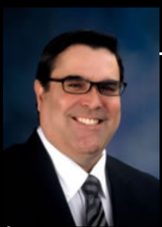
ATTORNEYS AT LAW



John Garcia
Senior Attorney

John Garcia presently serves as the Head of Homan & Stone's Workers' Compensation Department. He has been practicing law for twenty years. His practice is 100% devoted to Workers' Compensation cases. Mr. Garcia has published several articles on Workers' Compensation Law topics. Mr. Garcia uses his considerable expertise to resolve cases expeditiously and economically. In addition, he is the lead trial attorney at Homan & Stone before the Workers' Compensation Appeals Board. Mr. Garcia represents Insurance Companies, both regional and national, Self-Insured Private Companies, Governmental Agencies and Employers, Third-Party Administrators, relating to Workers' Compensation, Section 132a Claims and Serious and Willful Claims.

EVENTS

2013 BUSINESS INSURANCE WORKERS COMPENSATION VIRTUAL CONFERENCE

2013 Business Insurance Workers' Compensation Virtual Conference

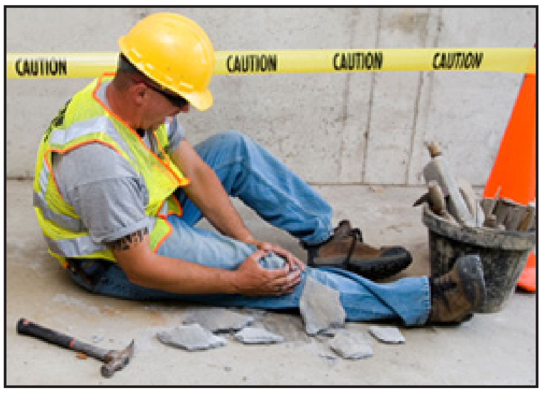
Dates and Locations:

August 22. The virtual conference will be avaialble on Iphone and Ipad.

For more information visit http://www.businessinsurance.com/article/20130401/VIRTUAL-COMP/304019987

CDI UPDATING WORKERS' COMP DIVIDEND RULES

Published 4.30.13



(Photo courtesy of Google)

The California Department of Insurance (CDI) is floating a set of draft regulations that would update and clarify the rules governing the payment of dividends on workers' comp policies. All California carriers' – including the State Compensation Insurance Fund (SCIF) are affected. The major proposed change would clearly spell out to employers that what SCIF attempted to do approximately a year ago when it resumed paying minor dividends was and is illegal.

SCIF offered employers who renewed a dividend, pathetically in some cases under $25, from a fund of $50 million against investment income in the hundreds of millions of dollars, and surplus in the billions of dollars. It was no bargain for employers.

SCIF's scheme to pay dividends only to employers who renewed their polices was exposed by Workers' Comp Executive in a story by publisher Dale Debber as being illegal. SCIF quickly changed its dividend policy to comply with the law as the result of our stories.

The CDI's draft proposal would require carriers that are issuing workers' comp policies on a participating basis – meaning that the policyholder has an opportunity to share in profits the carrier generates on the business – to better inform policyholders of their rights concerning a dividend. Specifically they would have to be informed: "Forfeiture of a right to, reduction in the amount of, or delay in the payment of, a policyholder's dividend due to the policy holder's failure to accept renewal of the policy or subsequent policies issued by the same insurer is illegal and constitutes an unfair practice."

For further reading on this article please visit http://www.wcexec.com/CDI-Updating-Workers-Comp-Dividend-Rules.aspx

GOOD WORKERS' COMP NEWS FOR EMPLOYERS

Written by : www.wcexec.com

California employers are finally catching a break. The Bureau's actuarial committee just finished its deliberations and determined that a mid-year pure premium rate increase is not needed. The final decision is up to the insurance carriers that fund the Bureau and which run its governing committee. They are expected to agree.

Committee members did hear, however, that a steady flow of rate filings by insurance companies through the fall increasing rates and therefore premium yield has brought the industry's average filed back up. They are now approximately where they were in 2003 before the last two legislative reforms. California Insurance Commissioner Dave Jones has approved some 58.5% in overall average workers' comp rate increases since he came into office in January 2011.

WCIRB Executive Vice President Dave Bellusci notes that there were no real surprises in the data and that the rate indication is essentially unchanged from the amended annual filing it made last year. Additionally, there is no new data available on impact of the SB 863 reforms that would necessitate a change in rate.

The Bureau's governing committee meets later this week to review and presumably approve the committee's non-fling finding.