

Kelly Campbell  
Vice President, State Government Relations

September 5, 2012

The Honorable Matt Michels  
Chair, Workers Compensation Advisory Council  
Pierre, South Dakota

RE: September 6, 2012 Advisory Council Meeting

Dear Chairman Michels and Members of the Advisory Council:

The Property Casualty Insurers Association of America (PCI) appreciates the opportunity to comment on the agenda for the September 6 meeting of the Workers Compensation Advisory Council. PCI's member companies write 38 percent of the workers compensation coverage in South Dakota.

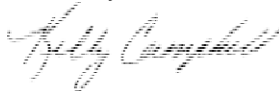
We understand that Issues #1 and #2 were submitted to the Council as a package compromise after lengthy discussion among the committee members which included claimant and employer attorneys. As such, PCI urges they be considered together. In addition, it is our understanding that NCCI indicated these proposals together will not impact rates. This reflects compromise by all parties and compromise is a key component of workers compensation legislation. As practicing attorneys from both sides have come together to recommend this legislation, PCI urges the Council to look favorably on this package proposal.

Agenda item #3 allows other insurers to pay claims that have been denied by workers compensation insurers. PCI believes this is a balanced proposal that benefits injured individuals and we encourage the Council to look favorably on this proposal.

In contrast to the above proposals, agenda items #4, #5, and #6 have had much less debate. Unfortunately PCI does not have enough information on items #4, #5, and #6 to provide substantive feedback. However, based on the limited information we have, PCI has concerns about the proposals. We look forward to additional information from the Council and the opportunity to provide more in-depth information on these proposals in the future.

PCI regrets being unable to attend the September 6 meeting due to a scheduling conflict. We greatly appreciate the opportunity to provide input to the Council via this letter and look forward to future engagement with the Workers Compensation Advisory Council.

Sincerely,



Kelly Campbell  
PCI Vice President  
State Government Relations

cc: Mike Shaw; May, Adams, Gerdes and Thompson