

AR Premium Guidelines

RECEIPT OF PREMIUM

The Servicing Carrier will not issue the renewal policy if the renewal premium down payment is not received by the renewal policy's effective date. However, the Servicing Carrier will make an exception if the renewal premium down payment is postmarked on or before the renewal policy's effective date and is received within seven (7) days after the effective date.

If the renewal premium down payment is received more than seven (7) days after the effective date, but not more than twenty (20) days after the effective date; then the Servicing Carrier shall issue a new policy to the employer that will be effective the day after the payment is received. If payment is received more than twenty days after the renewal effective date the employer will need to reapply for coverage in the MWCARP by submitting a new application.

PAYMENT PLAN

Estimated Annual Premium (EAP)

- EAP less than \$2,000 (100% down payment)
- EAP \$2,000 - \$9,999 (50% down payment with 3 equal quarterly installments)
- EAP \$10,000 or more (35% down payment with 8 equal monthly installments)

CANCELLATION PROCEDURES

- Non-payment of premium. **(30-day notice required)**
- Refusal to permit completion of the payroll audit. **(60-day notice required)**
- Other reasons approved by the Commissioner of the Minnesota Department of Commerce and/or the MWCARP Plan Administrator. **(60-day notice required)**
- Policyholder request for cancellation. The Servicing Carrier shall not honor requests to cancel policies before the date of request, **except in cases of where there is duplicate coverage.**

The Servicing Carrier will **reinstate** a policy without a lapse of coverage, if the basis for cancellation is removed before the cancellation is to take effect. If the basis for cancellation is removed after the cancellation has already taken effect, the employer will need to reapply for coverage in the MWCARP by submitting a new application.