



ADVANCING FULL CIRCLE

INCREASED ACCURACY, SPEED & PRODUCTIVITY

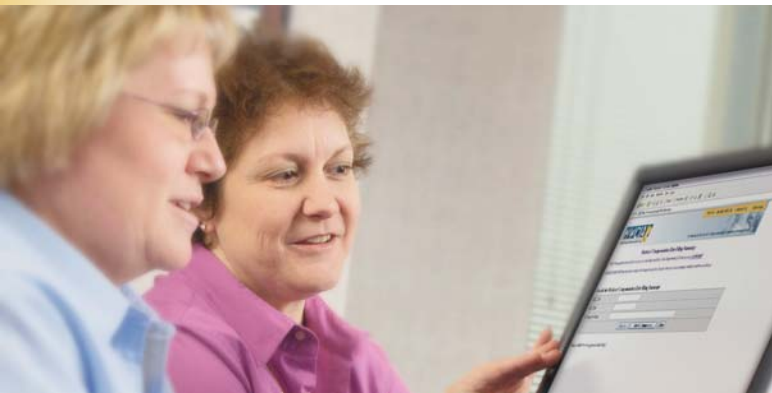
ANNUAL REPORT 2008



PRESIDENT'S LETTER | STATE OF THE MARKET | PRODUCTS & SERVICES | COLLABORATIONS | FINANCIALS & STATISTICALS | OUR MEMBERS | OUR BOARD | OUR STAFF | MEMBERSHIP EVENTS



AS THE PREFERRED PROVIDER OF QUALITY MINNESOTA WORKERS' COMPENSATION INFORMATION, WE ARE COMMITTED TO DEVELOPING PRODUCTS, SERVICES AND MARKETS THAT MEET OUR CUSTOMERS' EVOLVING NEEDS, AND TO PROVIDING A WORK ENVIRONMENT RICH IN OPPORTUNITIES FOR PERSONAL AND PROFESSIONAL GROWTH.



PRESIDENT'S LETTER

I've found one thing about working in this modern world of ours: if you're around long enough, you'll see things come full circle. And if you're lucky, they'll come back improved so that everything is a bit easier and more effective.

Right now, I see this happening with data transmission. As technology improves, MWCIA is moving toward being able to communicate with our members on a point-to-point basis when we receive, process and return information between numerous parties. In other words, we will one day be communicating with all the **"one-to-one directness"** that we formerly used (snail mail) but with the immediacy of electronic transmission (web-based).

This, of course, is an evolution and much of it is still ahead of us, so it's not completely clear where it's all going. But by recognizing the trend now, we are able to establish a vision that will help us anticipate the changes and start building systems in that direction. It also makes this a very exciting chapter in our own growth because we can see a time approaching that we could only dream of just a decade ago.

First, this will be a time of ***more accurate and timely data transmissions***.

Over the past few years, we've taken great strides to improve data transmissions through the use of technology. Electronic data transmissions have cut down on many of the problems of the past, data entry errors for example. However, because many data transmissions are "funneled" through external processing systems and member insurers bundle and send their data transmissions differently, we now run into new problems, out of sequence and other similar electronic processing issues.



When we have fully developed and implemented systems that will effectively and efficiently facilitate **“electronic door-to-door”** data submission, processing and correcting, we will eliminate these types of problems.

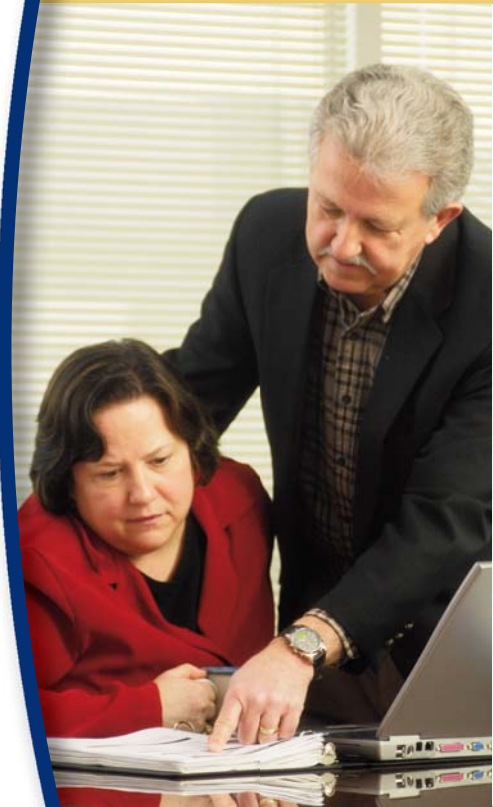
Second of all, this will be a time of *increased speed*.

Because we will be able to both view and correct errors in one setting (via the web) rather than in separate settings, there will be fewer back and forth communications required (usually just one) and we’ll be able to ‘talk’ to one another virtually instantaneously.

Third, this will be a time of *increased productivity* for our staff.

Because of the improved accuracy and speed, we will be able to devote more of our time to working with members on issues that benefit from the “personal touch.”

Of course, we have a ways to go before we’re fully into this brave new world of communication, but we are clearly on that path. By preparing MWCIA to be in the best position to fulfill this vision, we once again establish ourselves as leaders in our industry and that is a position of which we are very proud. No aspect of that pride is better realized than in our ability to constantly improve the quality of our information, products and services.



Again, it all comes back to our Business Concept Statements:

- MWCIA is the preferred Minnesota Data Service (DSO) for quality workers' compensation data collection, analysis and products.
- Our products and knowledge provide informed decisions for client's products, pricing, rates and state policy.
- We are committed to proactive partnerships in developing state, regional and national standards, structures and systems.

As always, thank you for your input. Without it, we would only be able to address your needs, rather than fulfill them.

Sincerely,



Bruce A. Tollefson
President



STATE

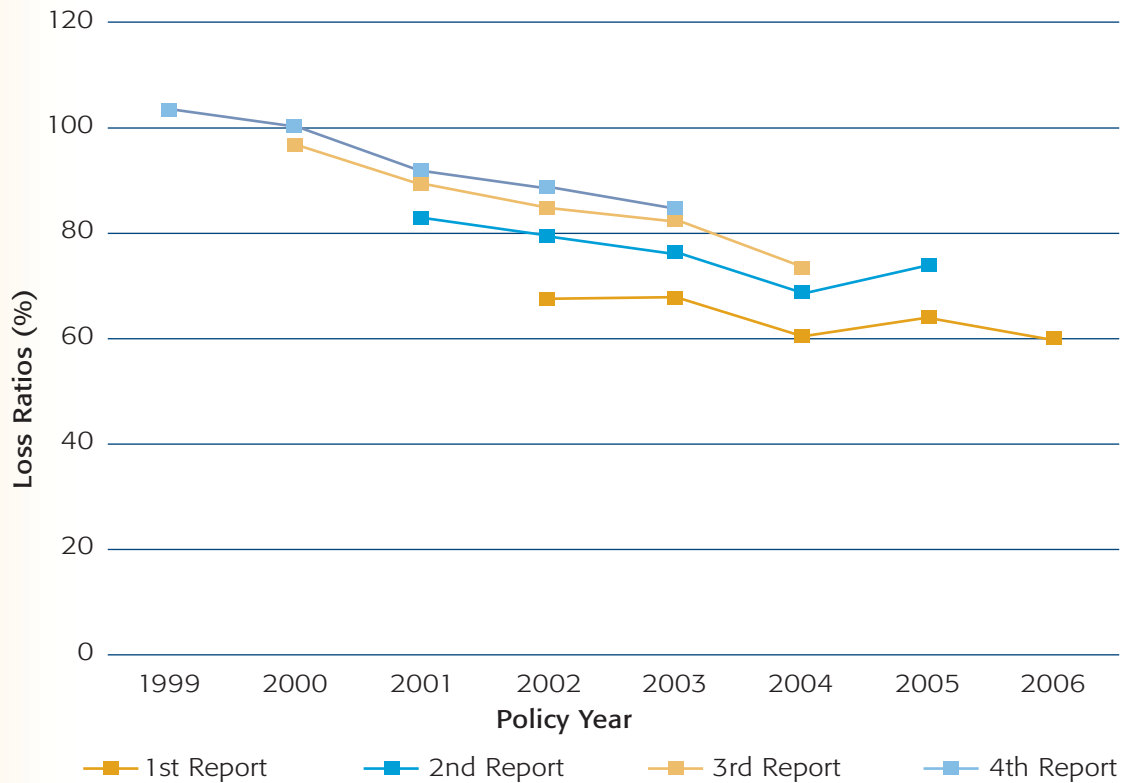
OF THE MARKET

The Minnesota Workers' Compensation Insurance market remains relatively healthy. Assigned risk volume continues to drop, and voluntary market loss ratios remain relatively stable. Medical costs continue to increase at a much faster rate than wages, with reserves following suit, but persistent case frequency reductions serve to temper loss cost changes. Carrier loss cost multipliers, on average, have been fairly steady, but price levels have demonstrated some modest reductions in recent years.



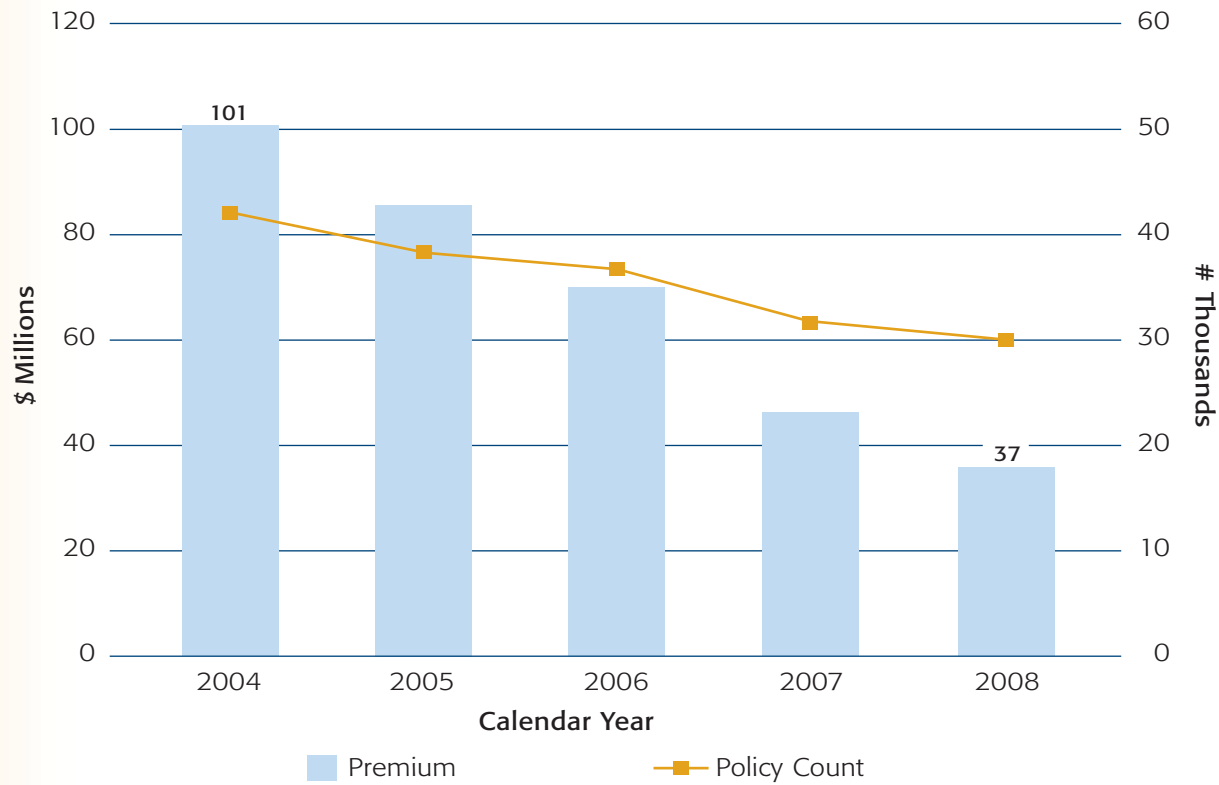
PAID+CASE-TO-DSR PURE PREMIUM LOSS RATIOS

Early report on-level loss ratios have shown modest, yet steady downward movement over the past five policy years. On average, paid+case-to-DSR ratios have been declining between 3-4% annually over this time period.



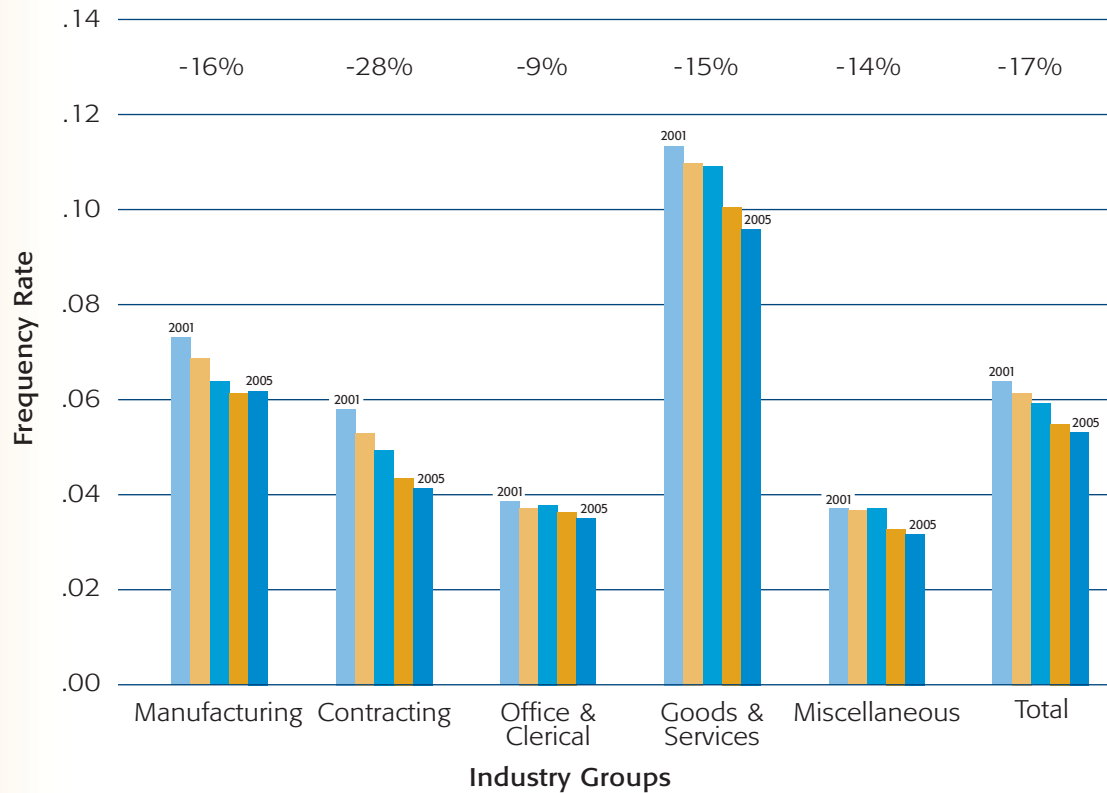
ASSIGNED RISK PLAN PREMIUM AND POLICY COUNTS

The Assigned Risk Plan continues to depopulate. Premium volume is down over 60% since 2004, with insured count showing a reduction of about one-third over the same time period.



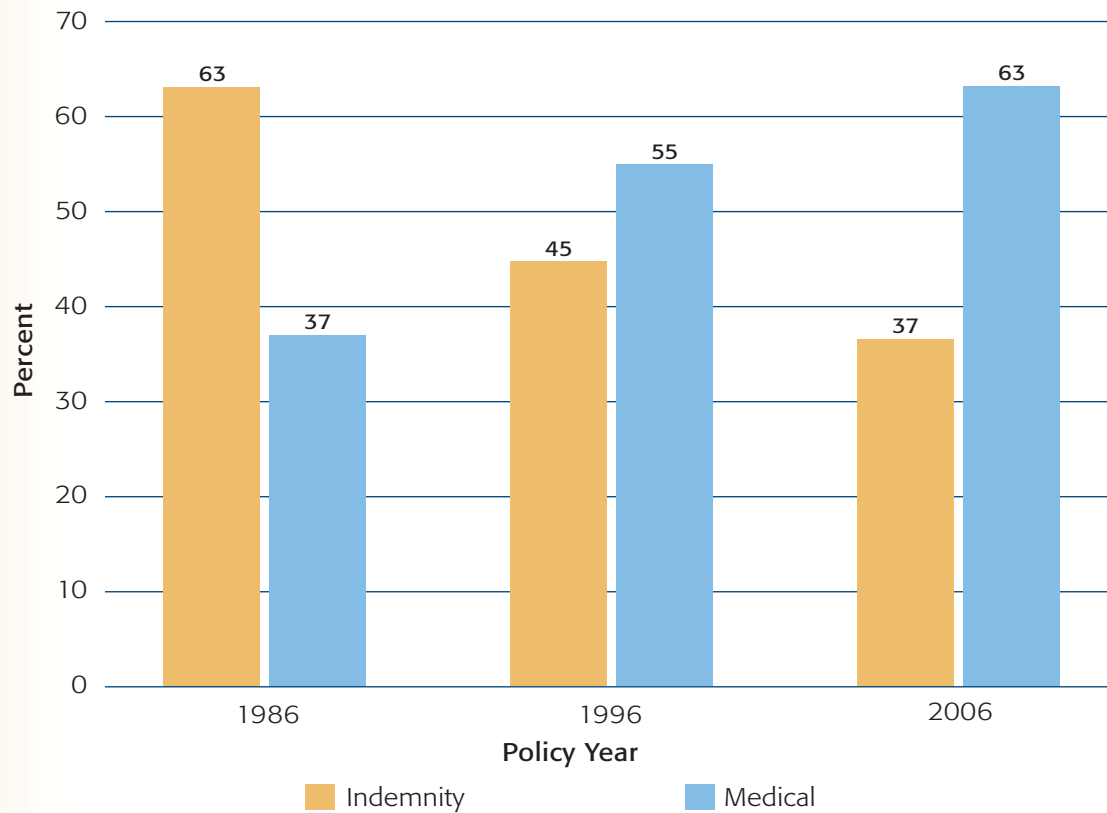
LOST-TIME CASE FREQUENCY

Persistent indemnity case frequency reductions are a large factor in keeping underwriting results relatively stable. Regardless of the industry group, claim counts per million dollars of adjusted payroll continue to slide. On average, annual case frequency is dropping between 4-5%.



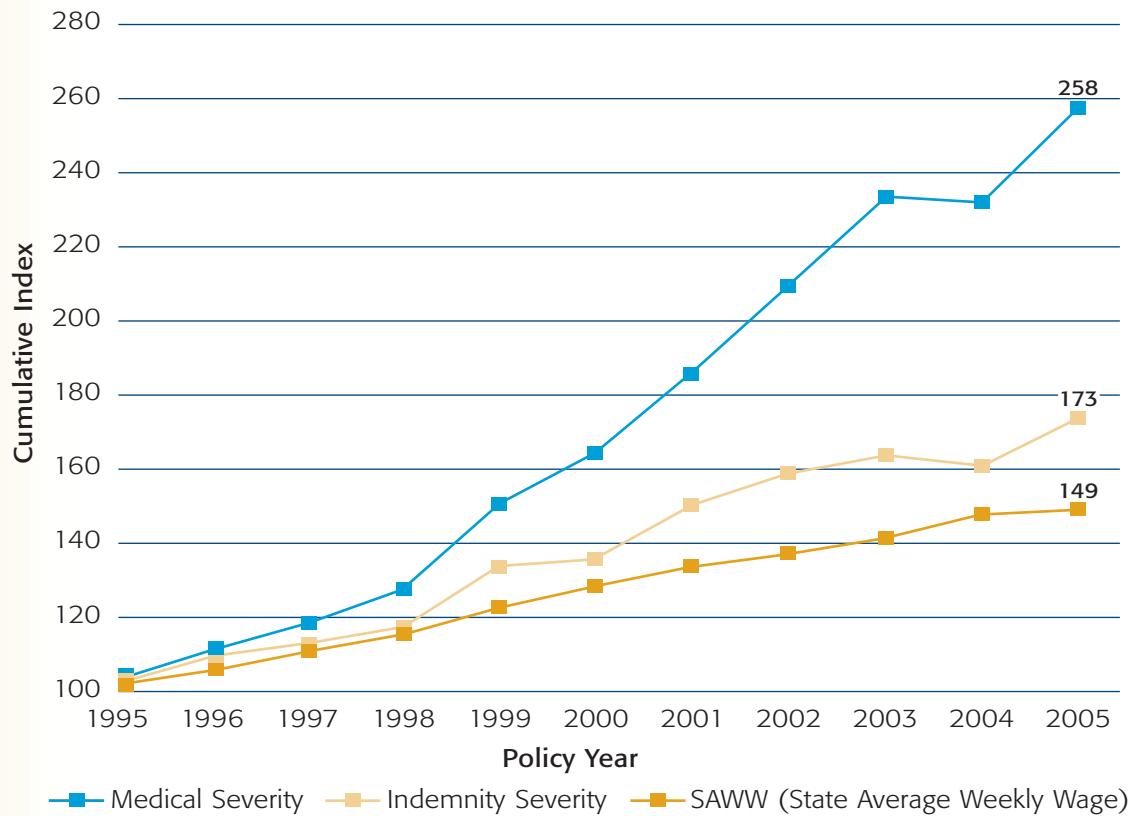
INDEMNITY AND MEDICAL LOSSES

The shift between the indemnity and medical components of the loss dollar has been dramatic. Over the last 20 years, the medical portion has grown 70% – and now represents over 63% of every incurred workers' compensation dollar.



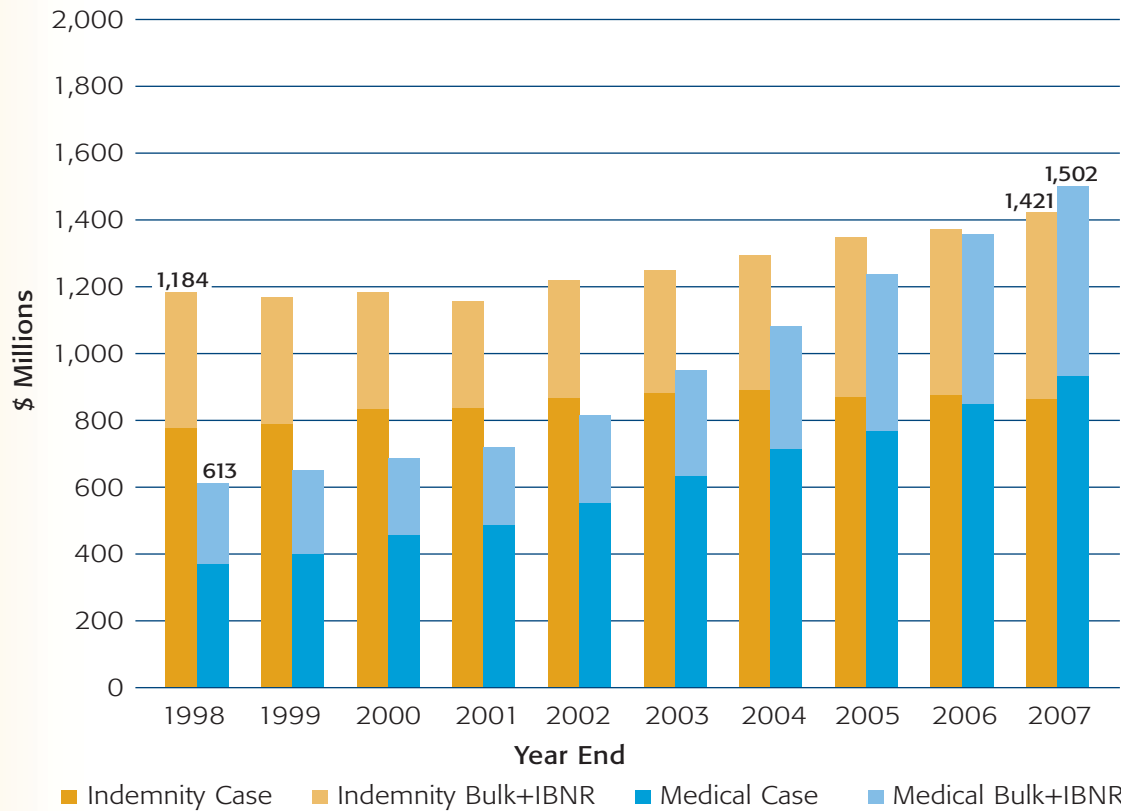
INDEMNITY AND MEDICAL SEVERITY CHANGES

Average cost per case increases consistently outstrip wage inflation. Indemnity severity is moving slightly faster than wage growth. But average lost-time medical costs are almost 160% larger than they were 10 years ago, and are increasing at an annual rate of 5.5% faster than wages.



INDEMNITY AND MEDICAL RESERVES

At year-end 2007, carriers were holding over \$2.9 billion of reserves – more than half associated with medical claims. Indemnity reserves increased about 20% over the last ten years – much of this due to bulk and IBNR reserve strengthening. Medical reserves grew over 145% over the same period, with both reserve components increasing proportionately.



PRODUCTS AND SERVICES

MWCIA OPERATIONAL SERVICES

In 2008, Operational Services focused on working together globally to enhance the data quality of our systems, improve our operational processes and provide added-value communications to our member carriers.

For example:

MANAGE USR

In April 2005, we announced the release of Manage USR. This product, available to all member carriers, was specifically designed to provide an online view of unit statistical data through the MWCIA website. This web-based application will allow data providers to manage accurate submissions and facilitate the unit statistical correction process.

In April 2007, we made enhancements to the Manage USR application that were comprised of several reports including the Late USR Report, Carrier Fines Unpaid Report, Policy Verification Report, Expected Cards Report and the Statistical Cards Overdue Report. All are available online allowing member carriers to view the status of their unit statistical report submissions.

Since 2007, we focused on better defining the business requirements of Manage USR and began testing Manage USR Phase II which will allow carriers to make online corrections to unit statistical reports.



MINNESOTA BASIC MANUAL AND EXPERIENCE RATING PLAN MANUAL

Over this past year, we have begun using new internal software for the maintenance and support of the [Minnesota Basic Manual](#) and the [Minnesota Experience Rating Plan Manual](#), both of which are available on our website (www.mwcia.org). This change affords our staff greater flexibility and a higher level of efficiency when making revisions to the two manuals. While the content has not changed, the new software has improved the look and feel of these manuals.

WEBSITE REDESIGN

Operations staff played an important role in the redesign of the MWCIA website launched on September 22, 2008. Notable enhancements include:

- Improvements to navigation while maintaining the theme of direct access to primary functionality;
- Industry information and support functions are accomplished dynamically in the new site with an improved issues section called "[CompAsk](#)" featuring current topics and a searchable issues library called the "[Learning Center](#)";
- Applications from the current site have been updated to match the new MWCIA website style, but remain unchanged in functionality; and
- As needed, current content has been reorganized to improve ease-of-use.



POLICY VIEW SYSTEM

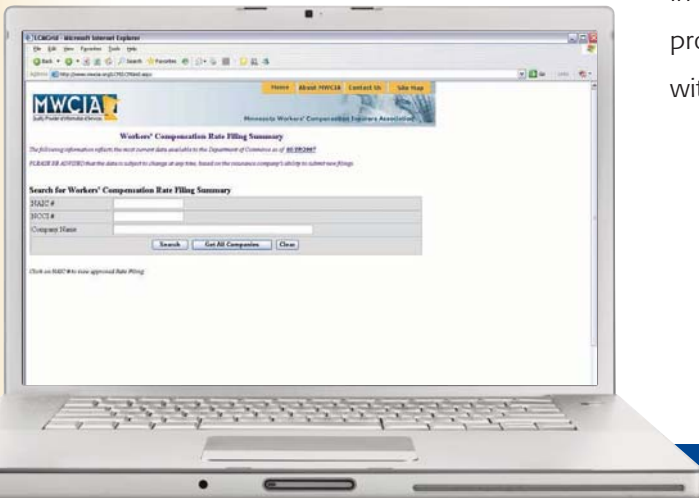
In October 2008, we announced the release of a new online Policy View application. Member carriers will now be able to view the electronic and hard-copy policy data they reported, resolve coverage issues, address policy errors and verify their records with MWCIA. Registration is required to use this system.

ELECTRONIC PROCESSING OF WCPOLS

Since November 2006, we have accepted member carriers for the testing phase for full replacement policies (Transaction Codes 08, 10 and 14). We completed this initial testing in 2008 and have moved a number of carriers into production. We continue to accept additional carriers to test for acceptance of electronically transmitted full replacement policies (Transaction Codes 08, 10 and 14).

SYSTEM INTEGRITY PROJECT TEAM

During the first quarter of 2007, the staffs of Operations and IT formed a System Integrity Project team to share information and review opportunities to enhance our system data quality. This effort continues and in the past two years, the team launched a number of projects that have resulted in improved communications with carriers and system enhancements.



Some additional Operational Services include:

ONLINE MINNESOTA ASSIGNED RISK PLAN APPLICATION (OAR)

OAR was successfully implemented on April 1, 2007 as a method of submitting Minnesota Assigned Risk applications online. This automated online system benefits the marketplace by enhancing the efficiency and accuracy of processing Minnesota Workers' Compensation Assigned Risk Plan Applications.

Among the many OAR features are:

- Electronic payment by electronic check or credit card via a secure bank E-Payment system;
- Online Assigned Risk application validation and premium calculation;
- A registration process that allows per filling of data wherever possible;
- Receive email confirmation at each stage of the application process; and
- The electronic payment occurs only after the application has been assigned and the exact amount owed has been determined.

MCPAP CREDIT FACTOR APPLICATION

The MCPAP Credit Factor Application is web-based, allowing a contractor or agent to complete an electronic application.

ASSIGNED RISK PLAN DEPOP DOWNLOAD AND SEARCH FUNCTIONS

These MWCIA web-based applications are enhanced to include merit rating information, providing additional and useful information to member carriers and agents.



CROSS INDEX

The MWCIA website includes a Cross Index for Minnesota Endorsement and the Workers' Compensation Insurance Organization (WCIO) WCPOLS Record Type Codes. This Cross Index allows a carrier to easily determine whether an endorsement contains information required to be reported via WCIO WCPOLS and if so, where the Record Type Code specifications are located in the WCIO WCPOLS manual.

Our ongoing goal is to provide informative, educational and timely communications to our members and customers by continuing to design electronic documents that we then make available on our website.

Some of these include:

■ Newsletters

The [quarterly newsletters](#) are written and published by MWCIA staff and are available online back to 1998.

■ Circular Letters

Written by staff and posted on our website, [Circular Letters](#) serve as the official notification for such announcements as filings approved, or orders given, by the Department of Commerce. Our goal is to keep our members and customers informed of important changes as they happen since many of these have a direct impact on their businesses and our industry as a whole.



■ Brochures

We design and write our brochures to help keep our members and customers current on specific topics such as “Understanding Experience Rating,” “How To Complete Minnesota’s Workers Compensation Assigned Risk Plan Application” and “Minnesota Contractors Premium Adjustment Program.” All of these and additional brochures are available on our website.

■ MWCIA Education and Informational Presentations

The Member and Customer Services staff continues to seek opportunities to “reach out” and provide educational and informational presentations to members, customers and the business community at large. In 2008, the staff participated in providing presentations to insurance carriers, agents and other interested parties.

In addition, we remain a key participant in an ongoing forum that provides information on Workers Compensation to Minnesota employees.

Finally, our Member and Customer Services staff is involved in a number of agent industry events during which they answer questions and distribute timely information from our MWCIA booth.



INFORMATION TECHNOLOGY

NEW WEBSITE

In 2008, we redesigned our website to incorporate many new features developed in cooperation with industry representatives to facilitate the trend toward increased content and better tools.

Among the many redesigned website features are:

- Improvements to navigation while maintaining direct access to primary functionality;
- Industry information and support functions are now accomplished dynamically with an improved issues section called "[CompAsk](#)" featuring current topics and a searchable issues library called the "[Learning Center](#)";
- Applications from the current site have been updated to match our new website style, but remain unchanged in functionality; and
- As needed, we have reorganized current content to improve ease-of-use.

POLICY VIEW

The [Policy View](#) application allows member carriers to view the electronic and hard-copy policy data reported to MWCIA. Policy View helps members resolve coverage issues, address policy errors and verify their records. Each carrier (or group of carriers) must register to use the product.

The dataset available on Policy View includes policy information that has been submitted to MWCIA either electronically or by hard copy over a period of approximately three years.

Data is refreshed nightly. Please allow extra processing time for the mailing and entry of hard-copy policies. Currently, only the policy data accepted by our system will be available for viewing.



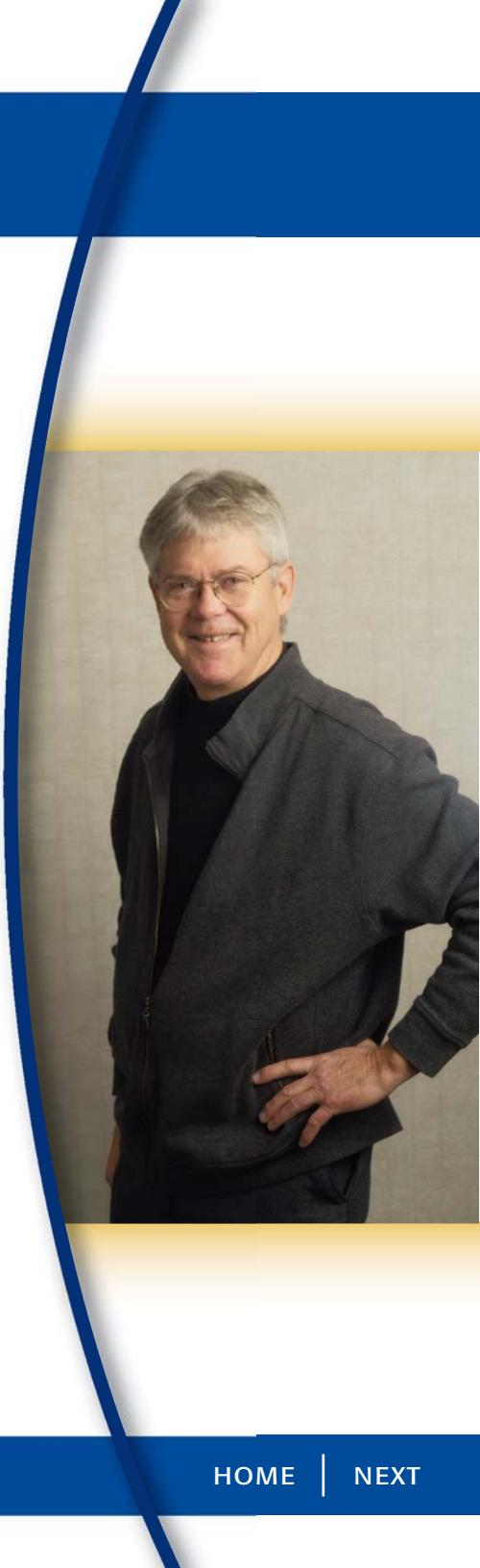
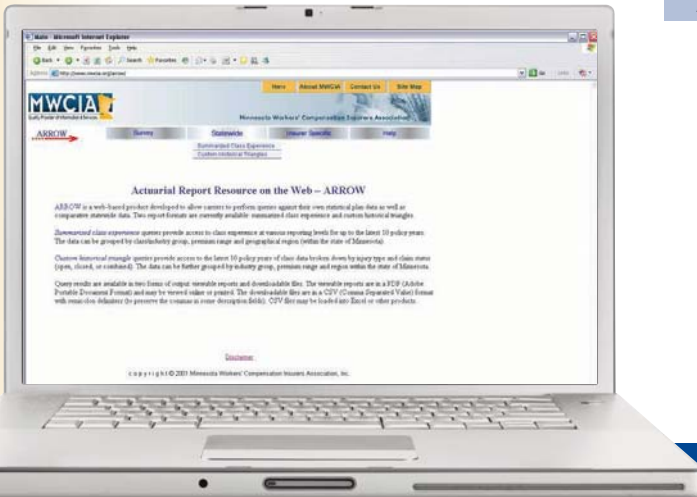
Policy data may be searched by Policy Number, Coverage ID, Effective Date Range, Policy Insured Name or Policy Status. The Policy View application partitions policy data into convenient sections with tab controls for the Information Page, Names, Addresses, Premium/Exposure, Endorsements, Cancellations/Reinstatements as well as Transaction History.

OAD (ONLINE ASSIGNED RISK)

The Online Assigned Risk application that we developed for the Minnesota Workers' Compensation Assigned Risk Program (MWCARP) has been online since 2007 allowing an agent or employer to complete and submit an electronic payment for an assigned risk application.

The electronic payment portion of the transaction is completed using a secure US Bank website and the data from the application itself is packaged as a PDF along with all relevant communications and attachments and transferred to the assigned risk carriers. Data is also transmitted to the assigned risk carriers in an XML format to allow further automation.

Description	OAR Count	Paper Count
Assigned	1624	6567
Returned	459	209



ACCEDE™ ONLINE

The ACCEDE™ Online system was upgraded to allow the downloading of data from previous years in an Excel format. Internal upgrades were put in place to facilitate the processing of the additional reporting years added in 2007.

RFA (RATE FILING APPLICATION) PUBLIC

We enhanced the Rate Filing Application in 2008 to enable users to view and search the SERFF tracking number and the filing effective date. The administration component was enhanced to include additional Edit and Delete functionality.

CMS (CONTACT MANAGEMENT SYSTEM)

MWCIA purchased MicroSoft CRM software in 2008 and engaged a consultant to customize the system to our needs. The implementation strategy involves phasing in production systems over the course of 2009 starting with Spectrum. It is our objective to create one repository for all MWCIA contact information and to use this as a bridge between external web-based systems and our internal processes. Secondary objectives include building a help desk knowledgebase and a help desk issue tracking system.



SYSTEM UPGRADES

Over the past year, we have made numerous upgrades to our systems to better serve our customers and to further facilitate the gathering and organization of an ever-widening range of data.

Among the more noteworthy upgrades are that we:

- Installed three new 64 bit Servers;
- Installed a second high-speed T1 Internet connection;
- Purchased two Ricoh MP4000 high-speed printers;
- Installed three new Dell PowerEdge 2950 servers;
- Installed Symantec Endpoint Protection Server software;
- Added a Web-Test Server at our Berbee NOC;
- Installed Microsoft Exchange 2007;
- Installed a new Liebert Air Conditioning System;
- Changed Payroll Accounting to Wells Fargo Expresspay;
- Installed a NetGear High-Security Wireless System



COLLABORATIVE SOFTWARE

■ CDX (Compensation Data Exchange)

MWCIA has 129 active CDX WCSTAT accounts and 79 WCPOLS accounts. Fifteen carriers are testing WCPOLS via CDX. Six carriers receive WCRATING files through CDX.

■ SPECTRUM™

Spectrum 3.0 Release 16 is currently in production.

Month	Stat 2007	Stat 2008	Pol 2007	Pol 2008
Jan	401	384	494	603
Feb	386	413	411	561
Mar	429	350	472	547
April	410	341	465	638
May	400	395	511	631
June	410	383	455	663
July	363	368	511	702
Aug	460	411	512	640
Sept	416	425	416	708
Oct	427	396	562	757
Nov	394	368	474	618
Dec	344	405	476	773



ACTUARIAL SERVICES

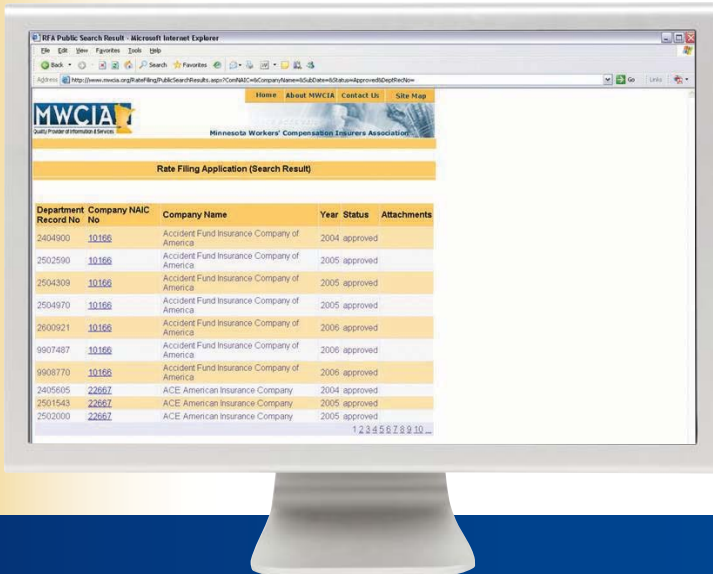
RATEMAKING REPORT

The 2009 Ratemaking Report was released on August 12, 2008. As the essential reference product in our industry, we are pleased to get the Ratemaking Report to our members as early as possible, allowing them time to review its findings and determine their own pricing for the coming 12-month cycle.

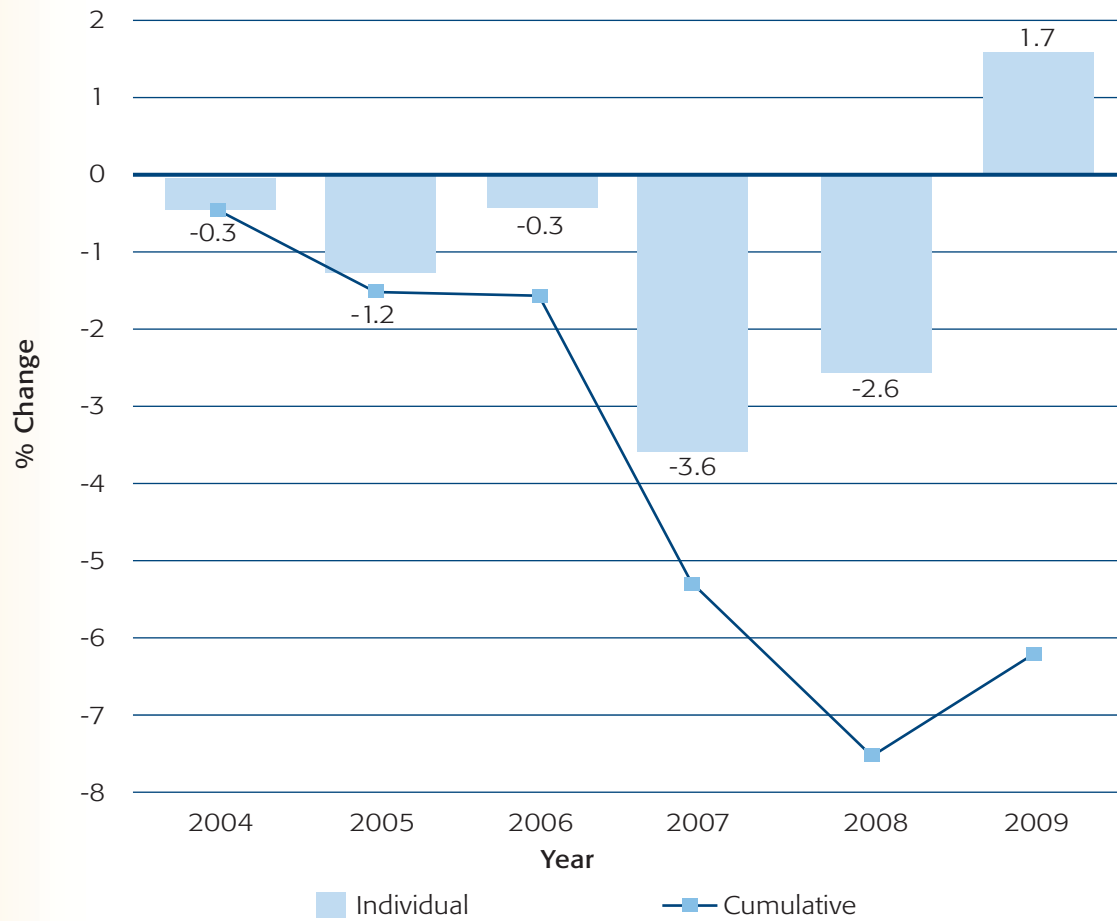
The pure premium base rate level continues to demonstrate strong stability. Since 2000, the level has experienced seven decreases and three increases. On average, 2009 base rates are 4.4 percent lower than their 2000 counterparts.

As displayed in the chart below, the pure premium base rate level increased 1.7 percent this year – the first increase since 2003. By specific industry, this breaks down as follows:

Manufacturing	+0.5%
Contracting	+3.9%
Office & Clerical	+3.3%
Goods & Services	+1.4%
Miscellaneous	-1.4%
Total	+1.7%



PURE PREMIUM BASE RATE CHANGES



ACTUARIAL

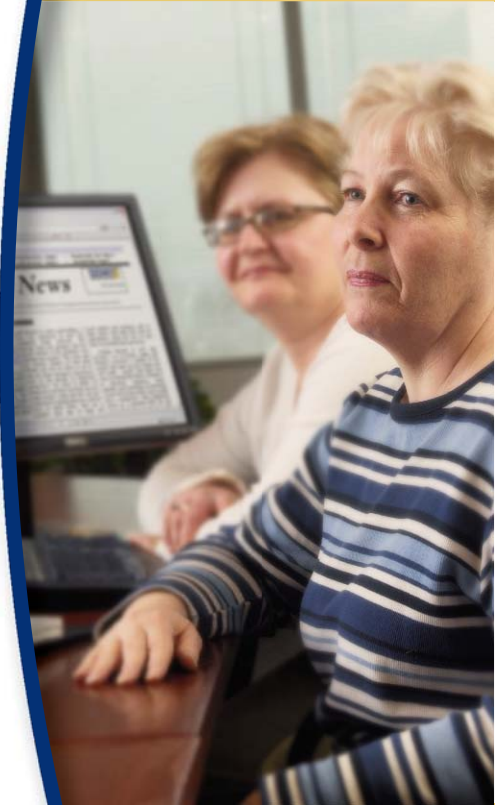
MWCIA's Actuarial and Information Technology departments continue to work hand-in-hand to develop and refine valuable resources for the industry. From internal research and production software such as TRACER and XRAY, to external tools like ARROW and ACCEDE, actuarial staff continues to pursue more efficient methods to collect and analyze carrier data.

ARROW

ARROW (Actuarial Report Resource on the Web) is a web-based product developed to allow carriers to perform queries against their own statistical plan data as well as comparative statewide data. Two report formats are currently available: summarized class experience and custom historical triangles. Summarized class experience queries provide access to class experience at various report levels while custom historical triangle queries provide access to detailed data by injury type and claims status (open, closed or combined). Both data sets are available through the latest 10 policy years. Output from both report formats can be grouped by class/industry group, premium range and geographical region within the state of Minnesota. During 2007, ARROW was updated to include the display of the 6th to 10th reporting levels of data.

ACCEDE™

MWCIA's financial data reporting tool, ACCEDE™ (Automated Carrier Call Entry and Data Edit), continues to provide members with a flexible tool to summarize, edit and submit aggregate data. ACCEDE™ Online is a web-based product that allows users to directly input their Excel data and upload the completed file, significantly simplifying the overall reporting process.



TRACER

The internal TRACER (Tool for Ratemaking, Analysis of Class Experience & Research) engine continues to provide staff with growing flexibility for all class ratemaking processes. TRACER is now being used to produce class rate relativities and affords staff comprehensive tools for the thorough class ratemaking research and sensitivity testing.

XRAY

XRAY (Experience Rating Analysis Yardstick) was designed to evaluate the effectiveness of the Minnesota Workers' Compensation experience rating plan. XRAY continues to be used to test the plan's parameters, forecast distributions of outcomes and perform sensitivity testing.



PARTNERSHIPS

SHARING IDEAS

COLLABORATIONS

MWCIA fulfills many roles to meet many needs. We are able to achieve this, not only through our own products and services, but because we have joined hands with a number of other associations and organizations in our industry. Indeed, it is in this spirit of collaboration that we have realized some of our greatest breakthroughs and have played a role in the advancement of our industry overall.

ACCCT

The American Cooperative Council on Compensation Technology (ACCCT) is comprised of the state workers' compensation data collection organizations in California, Massachusetts, Michigan, Minnesota, New York, North Carolina, Pennsylvania/Delaware, Wisconsin, New Jersey and the Insurance Service Office. ACCCT's products include:

- **BEEP™ (Bureau Entry and Edit Package)** allows carriers and reporting organizations to transmit unit statistical information between any state insurance advisory and/or rating organization that is a BEEP™ member. A web-enabled BEEP™ product is available allowing the electronic storage and transmission of unit statistical data.
- **PEEP™ (Policy Entry and Edit Package)** allows policy reporting organizations to electronically enter, edit and transmit policy information to a Data Collection Organization. Fully operational in 2003, PEEP™, like BEEP™, is totally web-based.



CDX (COMPENSATION DATA EXCHANGE)

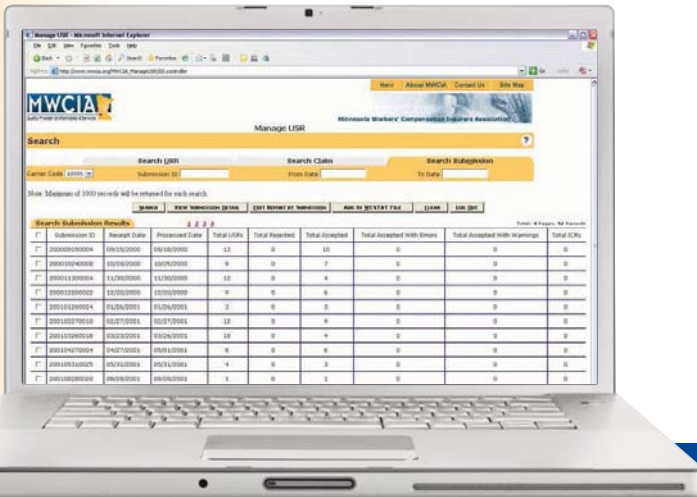
Developed in 2003, this data super highway accelerates the secure, electronic transmission of data between member insurers and Data Collection Organizations. A number of ACCCT Partners are also making use of the Experience Mod Work Sheet capability available through [CDX](#).

SPECTRUM™ PARTNERS, LLC

SPECTRUM™ Partners, LLC has developed an internal relational database operating system that serves as the foundation for many products and services.

The SPECTRUM™ suite of products continues to grow. The on-going success of SPECTRUM™ can be attributed to a strong partnership of the following state associations:

- Minnesota
- Wisconsin
- New York
- North Carolina
- Massachusetts



ADDITIONAL RELATIONSHIPS

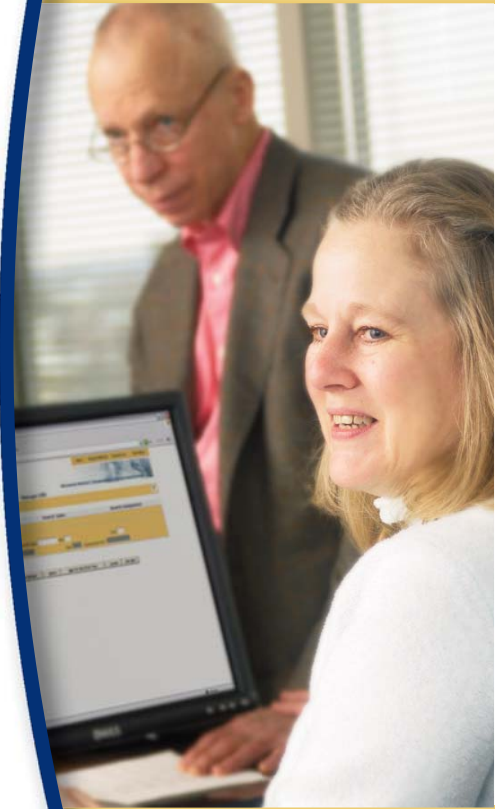
MWCIA is an active participant in national organizations such as:

- **WCIO (Workers' Compensation Insurers' Organization)** chartered in 1995 to develop uniformity of standards with respect to forms, electronic transmissions, filings and other tools and systems necessary to the industry.
- **IAIABC (International Association of Industrial Accident Boards and Commissions)**
- **IDMA (Insurance Data Management Association)**

Our extended relationships and audiences also include the Minnesota Department of Commerce, the Minnesota Department of Labor and Industry, as well as the Minnesota Workers' Compensation Reinsurance Association (WCRA), which was founded in 1979 to provide low-cost reinsurance for Minnesota insurers and self-insurers. MWCIA Actuary, Craig Anderson, has served on the WCRA's actuarial committee since its inception.

Whenever we are able to provide assistance, technical or otherwise, to any organization in the workers' compensation arena, we strive to assist that organization's ability to better serve its audiences.

Indeed, it is through this cooperation and overlap among our fellow state associations, government and regulatory bodies, our members, and our internal departments that our capabilities have continued to evolve in leaps and bounds. What's more, in the process, we truly further the core of our mission to be the "quality provider of information and services."



BY THE NUMBERS

FINANCIALS & STATISTICAL

POLICY REVIEW/POLICY ENTRY

An important activity of the Association is the capture of policy coverage information and the management of the Insurance Coverage Verification System (ICVS). The ICVS function provides the Department of Labor and Industry with computer-generated online information on workers' compensation insurance coverage and eliminates the carriers' obligation to file notifications of coverage and cancellation with the Department. In 2008, a total of 132,092 policies were collected with 88% of those being collected electronically. [Click here](#) if you are interested in viewing additional information on the number of policies, endorsements and cancellations processed by MWCIA during 2008.

UNIT STATISTICAL PLAN

Unit Statistical Plan data is collected, processed, and tabulated for use in developing the classification data with the Association's Annual Ratemaking Report. During 2008, a total of 158,073 reports were collected.



MERIT RATING

Minnesota statutes require that all Assigned Risks not eligible for experience rating must be subject to a Merit Rating Plan developed by the Department of Commerce. A total of 24,312 Assigned Risk files were published for Merit Rating in 2008. [Click here](#) to view the 2008 Merit Ratings that were distributed.

EXPERIENCE RATING

During 2008, we continued our activities in connection with the experience rating of employers. 29,386 Minnesota intrastate experience ratings were published, including revisions. [Click here](#) to view the 2008 breakdown of current Minnesota intrastate ratings by modification factor.

REVENUE AND EXPENSES

MWCIA had revenues of \$7,934,816 of which \$6,974,216 were collected through the assessment process. [Click here](#) to view the breakdown of revenues and expenses.

INSOLVENT FUND ACCOUNT

The Association continues to make regular payments to claimants of Security Casualty Company of Chicago. No assessments were levied in 2008.

FINES

The Association has a fining procedure for delinquent, incorrect, or incomplete unit reports. This procedure generated \$85,530 in 2008.



COMMITMENTS AND CONTINGENCIES

Future lease obligations have continued to drop, with a total future lease obligation at this time of \$417,006. [Click here](#) to view the breakdown of future lease obligations.

POLICY REVIEW/POLICY ENTRY

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	Assigned Risk	Voluntary Market	Totals
Policies (paper)	232	15,896	16,128
Policies (electronic)	29,496	86,468	115,964
Endorsements (paper)	877	129,464	130,341
Endorsements (electronic)	278,940	640,172	919,112
Cancellations (paper)	107	9,426	9,533
Cancellations (electronic)	16,983	46,403	63,386
Subtotals	326,635	927,829	1,254,464



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Merit Rating Factor	Number of Assigned Risk Files
0.67	22,687
0.90	1,094
1.00	466
1.10	65



EXPERIENCE RATING

During 2008, we continued our activities in connection with the experience rating of employers.

29,386 Minnesota intrastate experience ratings were published, including revisions.

The 2008 breakdown of current Minnesota intrastate ratings by modification factor is as follows:

Total Ratings between 0.01 & 0.49	0
Total Ratings between 0.50 & 0.59	1
Total Ratings between 0.60 & 0.69	11
Total Ratings between 0.70 & 0.79	256
Total Ratings between 0.80 & 0.89	4,201
Total Ratings between 0.90 & 0.99	15,666
Total Ratings between 1.00 & 1.09	2,838
Total Ratings between 1.10 & 1.19	2,378
Total Ratings between 1.20 & 1.29	1,787
Total Ratings between 1.30 & 1.39	970
Total Ratings between 1.40 & 1.49	585
Total Ratings between 1.50 & 1.59	297
Total Ratings between 1.60 & 1.69	146
Total Ratings between 1.70 & 1.79	91
Total Ratings between 1.80 & 1.89	64
Total Ratings between 1.90 & 1.99	28
Total Ratings greater than 1.99	67

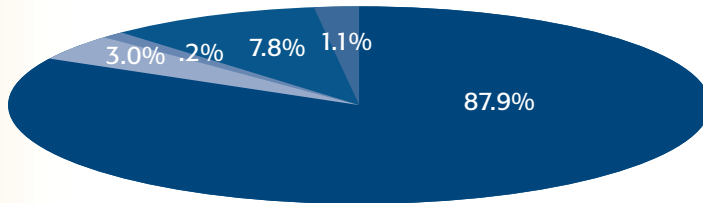


REVENUE AND EXPENSES

MWCIA had revenues of \$7,934,816 of which \$6,974,216 was collected through the assessment process.

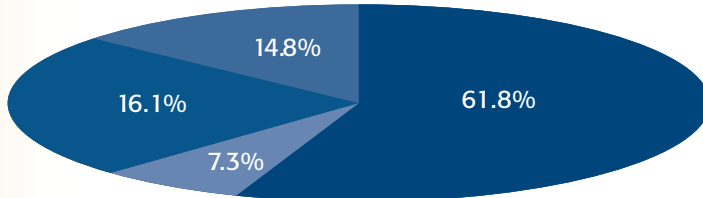
Revenues

Assessments	6,974,216	87.9%
Contract Services	619,647	7.8%
USP Fines	85,530	1.1%
Other	13,844	.2%
Paper Processing	241,579	3%
	7,934,816	100%



Expenses

Compensation	4,260,611	61.8%
Management, General and Other	1,107,106	16.1%
Management Information Systems	1,022,778	14.8%
Rent & Utilities	499,272	7.3%
	6,889,767	100%



COMMITMENTS AND CONTINGENCIES

Future lease obligations have continued to drop, with a total future lease obligation at this time of \$377,077.00.

2004	211,770.00
2005	211,770.00
2006	211,770.00
2007	218,249.00
2008	417,006.00
Thereafter	—
Total	\$377,077.00



OUR MEMBERS

WHO WE SERVE

ACCIDENT FUND COMPANY OF AMERICA

Accident Fund General Insurance Company
Accident Fund Insurance Company of America
Accident Fund National Insurance Company
United Wisconsin Insurance Company

ACE LIMITED

Ace American Insurance Company
Ace Fire Underwriters Insurance Company
Ace Indemnity Insurance Company
Ace Property & Casualty Insurance Company
Bankers Standard Fire & Marine Company
Bankers Standard Insurance Company
Century Indemnity Company
Indemnity Insurance Company of North America
Insurance Company of North America
Pacific Employers Insurance Company
Westchester Fire Insurance Company

ACUITY, A MUTUAL INSURANCE COMPANY

ADVANTAGE WORKERS COMPENSATION INSURANCE COMPANY

AETNA INSURANCE COMPANY OF CONNECTICUT

AFFILIATED FM INSURANCE COMPANY

ALASKA NATIONAL INSURANCE COMPANY

ALEA HOLDINGS US COMPANY

Alea North America Insurance Company

ALLEGHANY HOLDINGS

Capitol Indemnity Corporation
Platte River Insurance Company

ALLIANZ GLOBAL RISKS US INSURANCE COMPANY

ALLIED WORLD REINSURANCE COMPANY

ALLSTATE INSURANCE GROUP

Allstate Indemnity Company
Allstate Insurance Company
Allstate Property & Casualty Insurance Company

AMCOMP INCORPORATED

Amcomp Preferred Insurance Company

AMERCO

Republic Western Insurance Company

AMERICAN CENTENNIAL INSURANCE COMPANY

AMERICAN COMPENSATION INSURANCE COMPANY

American Compensation Insurance Company
Bloomington Compensation Insurance Company

AMERICAN CONTRACTORS INSURANCE GROUP

ACIG Insurance Company

AMERICAN COUNTRY INSURANCE COMPANY

AMERICAN EMPIRE INSURANCE COMPANY

AMERICAN FAMILY MUTUAL INSURANCE COMPANY

AMERICAN FUJI FIRE & MARINE INSURANCE COMPANY

AMERICAN INTERNATIONAL GROUP (AIG)

AIG Advantage Insurance Company
AIG Casualty Company
AIU Insurance Company
American Home Assurance Company
American International Insurance Company
Commerce & Industry Insurance Company
Granite State Insurance Company
Illinois National Insurance Company
Insurance Company of the State of Pennsylvania
National Union Fire Insurance Co. of Pittsburgh, PA
New Hampshire Insurance Company

AMERICAN NATIONAL PROPERTY & CASUALTY COMPANY

AMERICAN RELIABLE INSURANCE COMPANY

AMERICAN ROAD INSURANCE COMPANY



AMERICAN SAFETY INSURANCE GROUP
American Safety Casualty Insurance Company

AMERICAN SENTINEL INSURANCE COMPANY

AMERICAS INSURANCE COMPANY

AMERISAFE, INCORPORATED
American Interstate Insurance Company

AMERISURE COMPANIES
Amerisure Mutual Insurance Company

AMTRUST FINANCIAL COMPANY
Milwaukee Casualty Insurance Company
Technology Insurance Company
Wesco Insurance Company

AON CORPORATION
Atlanta International Insurance Company

APCAPITAL INCORPORATED
American Physicians Assurance Corporation
AP Specialty Insurance Corporation
Insurance Corporation of America

ARCH INSURANCE GROUP
Arch Indemnity Insurance Company
Arch Insurance Company
Arch Reinsurance Company

ARGONAUT INSURANCE GROUP
Argonaut Great Central Insurance Company
Argonaut Insurance Company
Argonaut-Midwest Insurance Company
Rockwood Casualty Insurance Company

ARROWOOD CAPITAL CORPORATION
Arrowwood Indemnity Company

ATLANTIC MUTUAL INSURANCE GROUP
Atlantic Mutual Insurance Company
Centennial Insurance Company

AUSTIN MUTUAL INSURANCE COMPANY

AUTO-OWNERS INSURANCE GROUP
Auto-Owners Insurance Company
Owners Insurance Company

AXA CORPORATE SOLUTIONS GROUP
AXA Corporate Solutions Reinsurance Company
AXA Insurance Company

AXIS U.S. INSURANCE
AXIS Reinsurance Company

BALDWIN AND LYONS INC.
Protective Insurance Company
Sagamore Insurance Company

BANCINSURE INCORPORATED

BENCHMARK INSURANCE COMPANY

BROTHERHOOD MUTUAL INSURANCE COMPANY

BURLINGTON INSURANCE GROUP
First Financial Insurance Company

CATERPILLAR INSURANCE COMPANY

CENTRE INSURANCE COMPANY

CENTURION INSURANCE GROUP
Centurian Casualty Company

CHEROKEE INSURANCE COMPANY

CHUBB GROUP OF INSURANCE COMPANIES
Chubb Indemnity Insurance Company
Chubb National Insurance Company
Executive Risk Indemnity Inc.
Federal Insurance Company
Great Northern Insurance Company
Pacific Indemnity Company
Vigilant Insurance Company

CHURCH MUTUAL INSURANCE COMPANY

CINCINNATI INSURANCE COMPANY
Cincinnati Casualty Company
Cincinnati Indemnity Company
Cincinnati Insurance Company

CLARENDON INSURANCE GROUP
Clarendon National Insurance Company

CNA INSURANCE GROUP
American Casualty Company of Reading, PA
Continental Casualty Company
Continental Insurance Company
National Fire Insurance Company of Hartford
Transportation Insurance Company
Valley Forge Insurance Company



CONTINENTAL NATIONAL INDEMNITY COMPANY
Continental Indemnity Company

COOPERATIVE MUTUAL INSURANCE COMPANY

CRUM & FORSTER INSURANCE GROUP
Crum & Forster Indemnity Company
North River Insurance Company
United States Fire Insurance Company

CUMIS INSURANCE SOCIETY, INC.

DAIMLER CHRYSLER INSURANCE COMPANY

DAKOTA TRUCK UNDERWRITERS
Dakota Truck Underwriters
First Dakota Indemnity Company

DALLAS NATIONAL INSURANCE COMPANY

DELOS INSURANCE COMPANY

DIAMOND INSURANCE COMPANY

ELECTRIC INSURANCE COMPANY

EMC INSURANCE COMPANIES
EMC Property and Casualty Company
EMCASC0 Insurance Company
Employers Mutual Casualty Company

ENDURANCE REINSURANCE CORPORATION OF AMERICA

ERIE INSURANCE GROUP
Erie Insurance Company
Erie Insurance Company of New York
Erie Insurance Exchange
Erie Insurance Property & Casualty Company
Flagship City Insurance Company

EVEREST REINSURANCE GROUP
Everest National Insurance Company
Everest Reinsurance Company

EXCESS REINSURANCE COMPANY

FAIRFAX FINANCIAL INCORPORATED
Clearwater Select Insurance Company
Hudson Insurance Company
Odyssey America Reinsurance Corporation

FARM BUREAU MUTUAL INSURANCE COMPANY
Farm Bureau Mutual Insurance Company
Western Agricultural Insurance Company

FARMERS INSURANCE GROUP
Farmers Insurance Exchange
Mid-Century Insurance Company
Truck Insurance Exchange

FEDERATED MUTUAL INSURANCE GROUP
Federated Mutual Insurance Company
Federated Service Insurance Company

FEDERATED RURAL ELECTRIC INSURANCE EXCHANGE

FIREMAN'S FUND INSURANCE COMPANIES
American Automobile Insurance Company
American Insurance Company
Associated Indemnity Corporation
Fireman's Fund Insurance Company
Fireman's Fund Insurance Company of Wisconsin
National Surety Corporation
San Francisco Reinsurance Company

FIRST MERCURY GROUP
First Mercury Casualty Company

FIRST NONPROFIT COMPANIES
First Nonprofit Insurance Company

FIRSTCOMP INSURANCE COMPANY

FLORISTS MUTUAL GROUP
Florists Mutual Insurance Company

FPIC INSURANCE GROUP INC.
First Professionals Insurance Company, Inc.

FRANKENMUTH MUTUAL INSURANCE COMPANY

GENERAL REINSURANCE GROUP
Fairfield Insurance Company
General Reinsurance Corporation
Genesis Insurance Company
National Reinsurance Corporation
North Star Reinsurance Corporation

GENERALI – UNITED STATES BRANCH



GERLING GROUP

Gerling America Insurance Company
Global Reinsurance Corporation (U.S. Branch)
Global Reinsurance Corporation of America

GMAC GROUP HOLDINGS

Integon National Insurance Company

GRANGE MUTUAL CASUALTY GROUP

Grange Mutual Casualty Company
Integrity Mutual Insurance Company
Trustguard Insurance Company

GRAY INSURANCE COMPANY

GREAT AMERICAN INSURANCE GROUP

Great American Alliance Insurance Company
Great American Assurance Company
Great American Insurance Company
Great American Insurance Company of New York
National Interstate Insurance Company

GREAT MIDWEST INSURANCE COMPANY

GREAT NORTHWEST INSURANCE COMPANY

GREATER NEW YORK MUTUAL INSURANCE COMPANY

GRINNELL MUTUAL REINSURANCE COMPANY

GUARD INSURANCE GROUP

Amguard Insurance Company
Eastguard Insurance Company
Norguard Insurance Company

GUIDEONE INSURANCE

GuideOne Elite Insurance Company
GuideOne Mutual Insurance Company

HANOVER INSURANCE GROUP

Allmerica Financial Benefit Insurance Company
Citizens Insurance Company of America
Hanover Insurance Company
Massachusetts Bay Insurance Company

HARCO NATIONAL INSURANCE COMPANY

HARLEYSVILLE MUTUAL INSURANCE COMPANY

Harleysville Insurance Company
Harleysville Lake States Insurance Company
Harleysville Mutual Insurance Company
Harleysville Preferred Insurance Company
Harleysville Worcester Insurance Company

HARTFORD INSURANCE GROUP

Hartford Accident & Indemnity Company
Hartford Casualty Insurance Company
Hartford Fire Insurance Company
Hartford Insurance Company of The Midwest
Hartford Underwriters Insurance Company
New England Insurance Company
Property & Casualty Insurance Company of Hartford
Sentinel Insurance Company, LTD
Twin City Fire Insurance Company

HEALTH CARE INSURANCE RECIPROCAL

HIGHLANDS INSURANCE COMPANY

HOME INSURANCE COMPANY

HORACE MANN INSURANCE GROUP

Horace Mann Insurance Company
Teachers Insurance Company

ICW GROUP

Insurance Company of The West

ILLINOIS CASUALTY COMPANY, A MUTUAL INSURANCE COMPANY

INDIANA LUMBERMENS MUTUAL INSURANCE COMPANY

IOWA MUTUAL INSURANCE COMPANY

IRONSHORE INDEMNITY INC.

KEMPER

American Manufacturers Mutual Insurance Company
American Motorists Insurance
Kemper Casualty Insurance Company
Lumbermens Mutual Casualty Company

LANCER INSURANCE COMPANY

LAURIER INDEMNITY COMPANY



LIBERTY MUTUAL INSURANCE GROUP

American Fire and Casualty Company
Consolidated Insurance Company
Employers Insurance Company of Wausau
First Liberty Insurance Corporation
Hawkeye-Security Insurance Company
Indiana Insurance Company
Liberty Insurance Corporation
Liberty Insurance Underwriters Inc.
Liberty Mutual Fire Insurance Company
Liberty Mutual Insurance Company
LM General Insurance Company
LM Insurance Corporation
LM Property & Casualty Insurance Company
Midwestern Indemnity Company
Netherlands Insurance Company
Ohio Casualty Insurance Company
Ohio Security Insurance Company
Peerless Indemnity Insurance Company
Peerless Insurance Company
Wausau Business Insurance Company
Wausau Underwriters Insurance Company
West American Insurance Company

LINCOLN GENERAL INSURANCE COMPANY

LUMBER INSURANCE COMPANIES
Lumber Mutual Insurance Company

LUMBERMEN'S UNDERWRITING ALLIANCE

MADA INSURANCE EXCHANGE

MARKEL CORPORATION GROUP
Markel Insurance Company

MCM CORPORATION GROUP

Acceptance Casualty Insurance Company
Acceptance Indemnity Insurance Company
Occidental Fire & Casualty Company of North Carolina

MEADOWBROOK INSURANCE GROUP

Star Insurance Company

MEDMARC COMPANIES

Medmarc Casualty Insurance Company

MEMIC INDEMNITY COMPANY

MET LIFE AUTO & HOME GROUP

Economy Fire & Casualty Company
Metlife Insurance Company of Connecticut

MHA INSURANCE COMPANY

MIC PROPERTY & CASUALTY INSURANCE CORPORATION

MICHIGAN MILLERS MUTUAL INSURANCE COMPANY

MID-STATES REINSURANCE CORPORATION

MIDWEST FAMILY MUTUAL INSURANCE COMPANY

MIDWEST INSURANCE COMPANY

MILLERS GENERAL GROUP

Millers First Insurance Company

MITSUI SUMITOMO INSURANCE GROUP

Mitsui Sumitomo Insurance Company of America
Mitsui Sumitomo Insurance USA Inc.

MOTORISTS INSURANCE GROUP

American Hardware Mutual Insurance Company
American Merchants Casualty Company
Wilson Mutual Insurance Company

MUNICH, RE AMERICA CORPORATION GROUP

American Alternative Insurance Corporation
Munich Reinsurance America, Inc.

NATIONAL AMERICAN INSURANCE COMPANY

NATIONAL INDEMNITY GROUP

National Indemnity Company
National Liability & Fire Insurance Company

NATIONWIDE INSURANCE GROUP

Allied Property & Casualty Insurance Company
Amco Insurance Company
Farmland Mutual Insurance Company
National Casualty Company
Nationwide Affinity Insurance Company of America
Nationwide Agribusiness Insurance Company
Nationwide Mutual Fire Insurance Company
Nationwide Mutual Insurance Company
Nationwide Property & Casualty Insurance Company

NAU GROUP

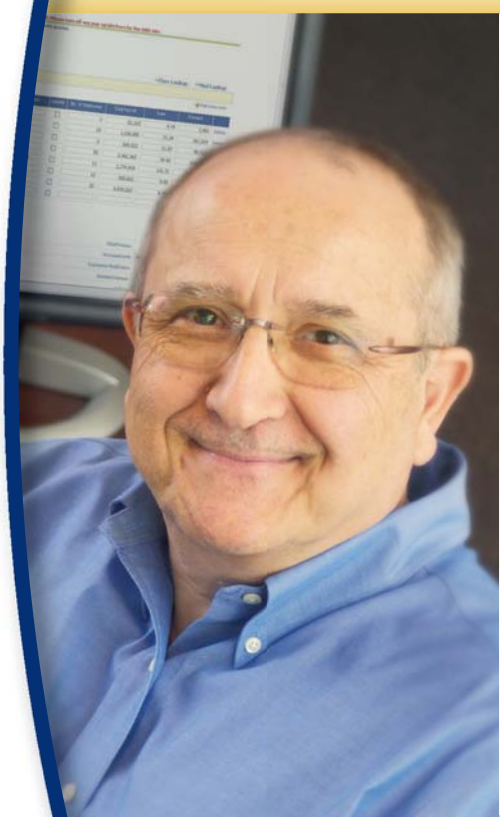
NAU Country Insurance Company

NIPPONKOA INSURANCE COMPANY OF AMERICA

American Pet Insurance Company
Nipponkoa Insurance Company, LTD

NORTH POINTE INSURANCE COMPANY

NOVA CASUALTY COMPANY



OLD REPUBLIC INSURANCE GROUP
Binuminous Casualty Corporation
Bituminous Fire & Marine Insurance Company
Great West Casualty Company
Old Republic General Insurance Corporation
Old Republic Insurance Company

OMAHA INDEMNITY COMPANY

ONE BEACON INSURANCE GROUP
Atlantic Specialty Insurance Company
Camden Fire Insurance Association
Employers Fire Insurance Company
Esurance Insurance Company of New Jersey
Houston General Insurance Company
National Farmers Union Property & Casualty
Northern Assurance Company of America
One Beacon America Insurance Company
One Beacon Insurance Company
Pennsylvania General Insurance Company

PARTNERRE GROUP
Partnerre Insurance Company of New York

PENN MILLERS INSURANCE COMPANY

PENNSYLVANIA LUMBERMENS MUTUAL INSURANCE COMPANY

PENNSYLVANIA NATIONAL MUTUAL CASUALTY
INSURANCE COMPANY

PETROLEUM CASUALTY COMPANY

PHARMACISTS MUTUAL INSURANCE COMPANY

PHILADELPHIA REINSURANCE CORPORATION

PMA INSURANCE GROUP
Pennsylvania Manufacturers Association Insurance Company
PMA Capital Insurance Company

PRAETORIAN FINANCIAL GROUP
Praetorian Insurance Company

PREFERRED PROFESSIONAL INSURANCE COMPANY

PRO ASSURANCE GROUP
Medical Assurance Company Inc.
Meemic Insurance Company

PROVIDENCE HOLDINGS GROUP
Imperial Casualty and Indemnity Company

PROVIDENCE WASHINGTON INSURANCE COMPANY

PUBLIC SERVICE MUTUAL INSURANCE COMPANY

PUTNAM REINSURANCE COMPANY

PXRE REINSURANCE COMPANY

QBE INSURANCE COMPANY

QBE REGIONAL INSURANCE GROUP
General Casualty Company of Wisconsin
General Casualty Insurance Company
Regent Insurance Company

QBE REINSURANCE COMPANY

QUANTA INDEMNITY COMPANY

RAM MUTUAL INSURANCE COMPANY

RAMPART INSURANCE COMPANY

REPUBLIC COMPANIES GROUP
Southern Insurance Company

RIVERPORT INSURANCE COMPANY

RURAL COMMUNITY INSURANCE COMPANY

SAFECO INSURANCE COMPANY OF AMERICA
American Economy Insurance Company
American States Insurance Company
First National Insurance Company of America
General Insurance Company of America
SAFECO Insurance Company of America

SAFETY NATIONAL CASUALTY CORPORATION
Safety First Insurance Company
Safety National Casualty Corporation

SCOR U S GROUP
General Security National Insurance Company
SCOR Reinsurance Company

SEABRIGHT INSURANCE COMPANY

SEATON INSURANCE COMPANY

SECURA INSURANCE COMPANIES
SECURA Insurance, A Mutual Company
SECURA Supreme Insurance Company

SECURIAN CASUALTY COMPANY

SELECTIVE INSURANCE GROUP
Selective Insurance Company of America
Selective Insurance Company of South Carolina
Selective Insurance Company of the Southeast



SENECA INSURANCE COMPANY, INC.

SENTRY INSURANCE, A MUTUAL GROUP
Middlesex Insurance Company
Patriot General Insurance Company
Sentry Casualty Company
Sentry Insurance, A Mutual Company
Sentry Select Insurance Company

SEQUOIA INSURANCE COMPANY

SFM MUTUAL INSURANCE GROUP
SMF Mutual Insurance Company
SFM Select Insurance Company

SOCIETY INSURANCE, A MUTUAL COMPANY

SOMPO JAPAN INSURANCE COMPANY OF AMERICA

SPARTA INSURANCE COMPANY

SFM MUTUAL INSURANCE GROUP
SMF Mutual Insurance Company
SFM Select Insurance Company

SOCIETY INSURANCE, A MUTUAL COMPANY

SOMPO JAPAN INSURANCE COMPANY OF AMERICA

SPARTA INSURANCE HOLDINGS, INC.
Sparta Insurance Company

STATE AUTOMOBILE MUTUAL INSURANCE GROUP
Meridian Citizens Mutual Insurance Company
Meridian Security Insurance Company
Milbank Insurance Company
State Auto Property & Casualty Insurance Company
State Automobile Mutual Insurance Company

STATE FARM FIRE & CASUALTY GROUP
State Farm Fire & Casualty Company
State Farm General Insurance Company

STONINGTON INSURANCE COMPANY

SWISS REINSURANCE GROUP
North American Elite Insurance Company
North American Specialty Insurance Company
Swiss Reinsurance America Corporation
Washington International Insurance Company
Westport Insurance Corporation

T.H.E. INSURANCE COMPANY

TIG INSURANCE GROUP

Fairmont Insurance Company
Fairmont Premier Insurance Company
Fairmont Specialty Insurance Company
TIG Insurance Company

TOKIO MARINE NICHIDO GROUP

TNUS Insurance Company
Tokio Marine & Nichido Fire Insurance Company Ltd. (USB)
Trans Pacific Insurance Company

TOWER GROUP COMPANIES

Tower Insurance Company of New York
Tower National Insurance Company

TRANSATLANTIC REINSURANCE COMPANY

TRANSGUARD INSURANCE COMPANY OF AMERICA, INCORPORATED

TRANSPORT INSURANCE COMPANY

TRAVELERS INSURANCE GROUP

Athena Assurance Company
Atlantic Insurance Company
Automobile Insurance Company of Hartford, Connecticut
Charter Oak Fire Insurance Company
Discover Property & Casualty Insurance Company
Farmington Casualty Company
Fidelity & Guaranty Insurance Company
Fidelity & Guaranty Insurance Underwriters, Inc.
Mendakota Insurance Company
Mendota Insurance Company
Northbrook Indemnity Company
Northland Insurance Company
Phoenix Insurance Company
Select Insurance Company
St. Paul Fire & Marine Insurance Company
St. Paul Guardian Insurance Company
St. Paul Medical Liability Insurance Company
St. Paul Mercury Insurance Company
St. Paul Protective Insurance Company
Standard Fire Insurance Company
Travelers Casualty & Surety Company
Travelers Casualty & Surety Company of America
Travelers Casualty Company of Connecticut
Travelers Casualty Insurance Company of America
Travelers Commercial Insurance Company
Travelers Indemnity Company
Travelers Indemnity Company of America
Travelers Indemnity Company of Connecticut
Travelers Property Casualty Company of America
United States Fidelity & Guaranty Company



TRENWICK AMERICA GROUP INCORPORATED
Insurance Corporation of New York
Trenwick America Reinsurance Corporation

ULICO CASUALTY COMPANY

UNITED FIRE & CASUALTY GROUP
Addison Insurance Company
United Fire & Casualty Company

UNITED NATIONAL GROUP
Diamond State Insurance Company
United National Specialty Insurance Company

UNITRIN PROPERTY & CASUALTY INSURANCE GROUP
Milwaukee Casualty Insurance Company
Unitrin Auto & Home Insurance Company

UTICA MUTUAL INSURANCE COMPANY

VALIANT INSURANCE COMPANY

VANLINER INSURANCE COMPANY

VIRGINIA SURETY COMPANY, INCORPORATED

W.R. BERKLEY CORPORATION GROUP
Berkley Insurance Company
Berkley Regional Insurance Company
Carolina Casualty Insurance Company
Continental Western Insurance Company
Firemen's Insurance Company of Washington DC
Great Divide Insurance Company
Midwest Employers Casualty Company
Starnet Insurance Company
Tri-State Insurance Company of Minnesota
Union Insurance Company

WEST BEND MUTUAL INSURANCE COMPANY

WESTERN NATIONAL MUTUAL INSURANCE GROUP
Pioneer Specialty Insurance Company
Western National Assurance Company
Western National Mutual Insurance Company

WESTFIELD COMPANIES
Ohio Farmers Insurance Company
Westfield Insurance Company
Westfield National Insurance Company

WORK FIRST CASUALTY COMPANY

XL AMERICA GROUP
Greenwich Insurance Company
XL Insurance America, Inc.
XL Reinsurance America Inc.
XL Specialty Insurance Company

ZENITH NATIONAL INSURANCE GROUP
Zenith Insurance Company

ZURICH INSURANCE GROUP U.S.
American Guarantee & Liability Insurance Company
American Zurich Insurance Company
Assurance Company of America
Colonial American Casualty & Surety Company
Empire Fire & Marine Insurance Company
Fidelity & Deposit Company of Maryland
Maryland Casualty Company
Northern Insurance Company of New York
Universal Underwriters Insurance Company
Universal Underwriters of Texas Insurance Company
Zurich American Insurance Company
Zurich American Insurance Company of Illinois



OUR BOARD

EXPERIENCED LEADERSHIP

Our 2008 Annual Meeting was called to order at 1:30 p.m., Tuesday, April 22, 2008, at the MWCIA offices, 7701 France Avenue South, Suite 450, Edina, Minnesota.

The following members were elected to fill the traditional four-year director terms of those terms that had expired:

Director:

Mr. Paul Nelson

Mr. Peter Caminiti

Mr. Barry Preslaski

Mr. John DeSanto

Ms. Stacey Nichols

Representing:

Western National Mutual Insurance Company (non-stock)

Liberty Mutual Insurance Company (non-stock)

Owners Insurance Company (stock)

American International Group (stock)

Zurich N.A. Insurance Company (stock)

During 2007-08, we held four Board Meetings at which we focused our discussions on the 2008 Ratemaking Report, web-based delivery of MWCIA products and services, industry-wide collaborative efforts, MWCIA manuals, and communications.



As of December 31, 2008, the members of our Board were as follows. Please click on the respective name of any Director to see his or her resume and credentials.

Director:

[Mr. Keith Krueger](#)

[Mr. John DeSanto](#)

[Mr. Scott Holzerland](#)

[Mr. Brandon Miller*](#)

[Mr. Peter Caminiti](#)

[Mr. Bill Dupont](#)

[Mr. Gary Thaden*](#)

[Mr. Barry Preslaski](#)

[Ms. Fran Kaitala](#)

[Mr. Bruce Kaufenberg](#)

[Mr. Paul Nelson](#)

[Ms. Stacey Nichols](#)

Representing:

American Compensation Insurance Company

American International Group

Federated Insurance Companies

Ingenix

Liberty Mutual Insurance Company

Lumbermen's Underwriting Alliance

MN Mechanical Contractors Association

Owners Insurance Company

SFM Mutual Insurance Company

Travelers Insurance Companies

Western National Mutual Insurance Company

Zurich N.A. Insurance Company

*Public member appointed by the Minnesota Department of Commerce.



BIOGRAPHY OF PETER CAMINITI

DISTRICT UNDERWRITING MANAGER LIBERTY MUTUAL INSURANCE COMPANY

A native of Roxbury, CT, Peter Caminiti began his career with Arthur Andersen LLP's Assurance and Business Advisory Services insurance practice in Hartford, CT.

After his time in public accounting, Peter joined Liberty Mutual in a variety of financial capacities in Boston. He left his native New England to accept the financial manager position for Liberty's Midwest District where he was named to his current position as district underwriting manager.

Peter was active as a Big Brother during his time in Boston. After moving to the Midwest, he pursued his interest in flying and is an aspiring private pilot. He makes his home in Schaumburg, IL.



BIOGRAPHY OF JOHN G. DESANTO

BRANCH MANAGER AMERICAN INTERNATIONAL GROUP (AIG)

A native of New Haven, CT, John G. DeSanto graduated from St. Anselm's College with a B.A. in history (1965) and from the University of Bridgeport with an M.A. in history (1971).

In 1976, he was transferred to Minneapolis as multi-peril supervisor with Aetna Insurance and became underwriting manager in 1980 in the merger that became known as Cigna.

In 1985, John joined J. H. Crowther (Swett Insurance Managers) as branch manager and went on to become regional vice president of New Hampshire Insurance Company by 1988. When AIG closed that office, he moved over to the company's Minneapolis office, accepting his current position as branch manager.

He holds both a property/casualty license and a surplus lines license. His industry designations are CPCU (he serves on the Board of the Minnesota Chapter) and AIM (Associate in Management).

Formerly president of the Branch Manager's Association (1995-98) as well as a past president of the Twin City Insurance Association (1998), John is a member of Calvary Lutheran Church in Golden Valley, MN, where he participates in a number of activities.

An avid sports enthusiast, John coaches both hockey and soccer and is a past recipient of the McNamara Coaching Award. He is an active member of Toastmasters, and enjoys reading, jogging and travel. He makes his home in Plymouth, MN, with his wife, Deborah, and her three daughters.



BIOGRAPHY OF WILLIAM R. DUPONT

DISTRICT MANAGER LUMBERMEN'S UNDERWRITING ALLIANCE

A native of Minneapolis, MN, Bill DuPont earned his Bachelor of Science degree in marketing at St. Cloud State University (1982) before joining Pacific Toy House as a sales producer.

In 1986, Bill joined Lumbermen's Underwriting Alliance where he currently serves as a district manager.

He holds the industry designation of CIC (certified insurance counselor).

An avid golfer, Bill also enjoys fishing, hiking and reading. He makes his home in Eden Prairie, MN, with his wife, Suzette, and their two children.



BIOGRAPHY OF SCOTT HOLZERLAND

UNDERWRITING PRODUCT MANAGER FEDERATED INSURANCE COMPANIES

A native of Owatonna, MN, Scott Holzerland holds a bachelor's degree in Business Administration from Gustavus Adolphus College (1985).

Scott is a home office underwriting product manager for Federated Mutual Insurance and holds a CPCU (Chartered Property Casualty Underwriter) designation.

He and his wife, Katie, make their home in Owatonna with their three children. He enjoys playing hockey and golf.



BIOGRAPHY OF FRANCES M. KAITALA

VICE PRESIDENT, STRATEGIC BUSINESS OPERATIONS SFM MUTUAL INSURANCE COMPANY

Fran Kaitala joined SFM, a workers' compensation insurer headquartered in Bloomington, MN, in 1984 as underwriting manager. In 1987, she was elected assistant vice president and underwriting manager, then named vice president of underwriting in 1991 and vice president of insurance operations in 1995.

In 2005, she was elected to her current position as vice president of Strategic Business Operations in which she is responsible for the underwriting and claims operations of the company.

Fran has an extensive underwriting background, having worked for Crum & Forster Insurance Group, Bituminous Insurance Company, Argonaut Insurance Company, and Travelers Insurance Company before joining SFM.



BIOGRAPHY OF BRUCE KAUFENBERG

SECOND VICE PRESIDENT, WORKERS COMPENSATION PRODUCT MANAGEMENT TRAVELERS INSURANCE COMPANIES

A native of St. Paul, MN, Bruce Kaufenberg earned a degree in finance at St. Cloud State University before joining the St. Paul Companies as a commercial lines underwriter.

Advancing through the underwriting ranks, he currently serves as a second vice president for Workers Compensation Product Management. He holds the industry designations of ARM and CPCU.

Bruce has been actively involved with the Wisconsin Compensation Rating Bureau, New Jersey Compensation Rating and Inspection Bureau, American Insurance Association Workers Compensation Committee and the National Workers Compensation Reinsurance Pool.

He enjoys fishing, fine woodworking and makes his home in Lake Elmo, Minnesota.



BIOGRAPHY OF KEITH D. KRUEGER

PRESIDENT AMERICAN COMPENSATION INSURANCE COMPANY

A military dependent born in Guantanamo Bay, Cuba, Keith Krueger began his career with Sentry Insurance, a Mutual Company. He was named underwriting manager in 1985.

In 1995, he left Sentry to join American West Insurance Company as vice president of underwriting and marketing, then joined Citizens Security Mutual Insurance in 1997 as underwriting manager.

In 1998, he joined RTW as director of underwriting services, a position he held until 2002 when he was named vice president of insured properties. Keith currently has the role of president of American Compensation Insurance Company.

Keith holds the CPCU designation and is a member of its Twin Cities Chapter.

An avid golfer, he makes his home in Cottage Grove, MN, with his wife, Cece, and their three children.



BIOGRAPHY OF BRANDON MILLER

VICE PRESIDENT – PRODUCT DEVELOPMENT P&C MARKETS INGENIX

A native of St. Paul, MN, Brandon Miller earned his Bachelor of Arts degree from the University of Minnesota and his MBA in Finance and Risk Management from the Carlson School of Management (University of MN).

In 1990, Brandon joined the Minnesota Department of Labor and Industry as a mediator and arbitrator. In 1994, he became the Director of the Special Compensation Fund. He also oversaw the work of the Rehabilitation and Medical Affairs and Research and Statistics Units.

In 2002, he left the public sector and joined Hays Companies and served as Vice President of Consulting among other roles.

In November 2005, Brandon joined Ingenix, a United Health Group Company, as VP of product development for P&C markets. He has brought e-billing, mandatory state reporting services, on-line workers' compensation network directories, and Medicare set-aside tools to the market for Ingenix.

An avid sports enthusiast, Brandon enjoys baseball, skiing, biking, golfing and camping, as well as reading. He makes his home in North St. Paul, MN, with his wife, Cathy, and three children.



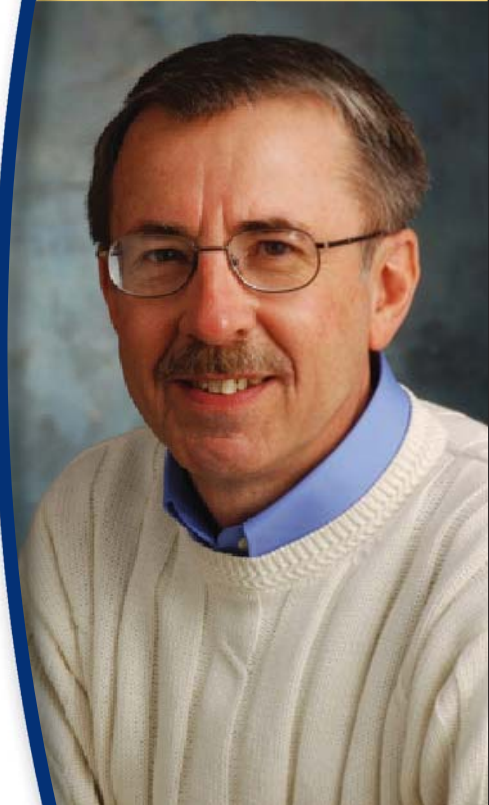
BIOGRAPHY OF PAUL NELSON

SENIOR VICE PRESIDENT, COMMERCIAL LINES MANAGER WESTERN NATIONAL MUTUAL INSURANCE COMPANY

A native of Sioux Falls, SD, Paul Nelson earned his Bachelor of Arts degree in history at Augustana College (1969) before joining Western National Insurance Company as a personal lines underwriter.

A long-time employee of Western National (over 30 years), Paul moved to commercial lines underwriting in 1973 and was made an officer of the company in 1984. He currently serves as the company's senior vice president and commercial lines manager. In addition, he sits on the Board of Directors of their subsidiary, Western National Assurance Co. He holds the industry designation of CPCU.

A former member of the Falcon Heights Park and Recreation Commission (1983 to 1988), Paul enjoys fishing, golfing and reading. He makes his home in Roseville, MN, with his wife, Linda. The couple has two grown daughters.



BIOGRAPHY OF STACEY L. NICHOLS

NATIONAL DIRECTOR OF CONSTRUCTION UNDERWRITING ZURICH AMERICAN INSURANCE COMPANY

A native of Shakopee, MN, Stacey Nichols holds a bachelor degree in both math and economics (with a concentration in statistics) from St. Olaf College, Northfield, MN (1991).

She began her career in the insurance industry as a trainee with Chubb Insurance, working her way up through several positions before being named operations supervisor in the Operations Division.

In 2003, she left Chubb to join Zurich American Insurance Company as a senior account executive in the Casualty Construction Division.

In 2007, she moved from field underwriting to the home office as an underwriting consultant and then in 2008 to her current position as National Director of Construction Underwriting, assisting with underwriting strategies and profitability management.

Stacey holds the industry designations of CPCU and ARM. In addition, she is currently vice president of the Parent Teacher Organization of St. Hubert School and a cookie leader volunteer with the Girl Scouts.

A lover of travel, reading, photography and volunteerism, she makes her home in Chanhassen, MN, with her husband, Tim, and their two daughters.



BIOGRAPHY OF BARRY M. PRESLASKI

REGIONAL VICE PRESIDENT OWNERS INSURANCE COMPANY

A native of Green Bay, WI, Barry Preslaski earned his bachelor of science degree as well as his masters degree in business administration from Drake University (1987, 1988) before joining American Family Insurance (West Des Moines, IA office) in 1989.

In 1991, Barry joined Owners Insurance Company in Lansing, MI, as a personal lines underwriter. He remained with the company's Lansing office through 1995, working on to the positions of commercial lines underwriter and home office line underwriter before becoming marketing representative for the Lansing office.

Barry returned to West Des Moines, IA, as marketing representative in 1996. He was promoted to underwriting supervisor by 1999 and became underwriting manager in 2000. Deciding on a move in 2001, he accepted a position as underwriting manager in the company's White Bear Lake, MN, office and by 2002, was promoted to his current position of regional vice president.

He holds the industry designations of CPCU and CLU.

An avid sports enthusiast, Barry enjoys camping, boating and other outdoor activities. He makes his home in Lino Lakes, MN, with his wife, Victoria, and their son, Kyle.



BIOGRAPHY OF GARY K. THADEN

GOVERNMENT AFFAIRS DIRECTOR, PETTERSEN & ASSOCIATES, INC.

A native of Minnesota, Gary Thaden earned a bachelor of elected studies degree in the college of liberal arts at the University of Minnesota before attending William Mitchell College of Law (St. Paul) where he earned his J.D. degree (1984).

The government affairs director for Pettersen & Associates, he is a member of both the Minnesota and American Bar Associations and the Minnesota Workers' Compensation Advisory Council.

Gary is a nationally recognized health care speaker. In addition, he serves on the board of directors for Friends of the Sherlock Holmes Collection (University of MN) and is president of Norwegian Explorers of Minnesota (a Sherlockian literary society).

He is a former member of the board of trustees of the Minneapolis Public Library Board and many other civic organizations.

An avid reader, Gary also enjoys collecting books, especially those involving Sherlock Holmes and Arthur Conan Doyle. He makes his home in Minneapolis with his wife and their two daughters.



OUR STAFF

DEDICATION, EXCELLENCE

M W C I A M A N A G E M E N T T E A M

Bruce Tollefson, President

Kathleen Peterson, Vice President, Operations, Treasurer and Secretary

Chuck Eldridge, Vice President, Information Technology

Craig Anderson, Vice President, Actuarial Services



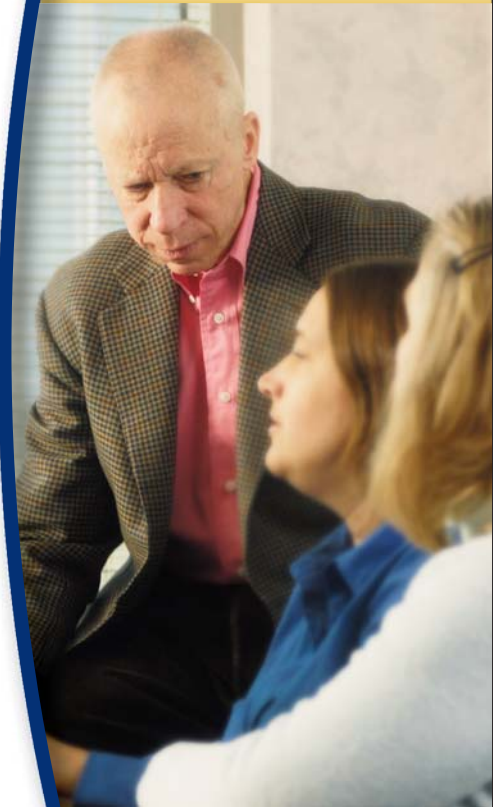
MWCIA DEPARTMENTS & STAFF

MEMBER & CUSTOMER SERVICES

Staff: Jeff Kvam, Marie Johnson, Melodie LaChapelle, Jodell Miller, Caroline Timmerman and Glenn Colby

Main Functions

- Member & Customer Services is the primary link to the public, providing assistance to employers, agents, carriers, state regulators, legislative representatives and other interested parties. Staff answers questions related to such things as classifications, experience modification calculations and rules, basic manual rules, Assigned Risk rules, procedures and classifications, MCPAP application assistance, audit procedures, ownership, etc.
- Includes Field Service staff that performs Test Audits and Classification Surveys.
- Publishes Circular Letters and MWCIA's quarterly newsletters.
- Coordinates, researches and/or prepares filings of various manual rules, forms and classification changes with the Department of Commerce.
- Develops and publishes informational brochures on a variety of workers' compensation topics.
- Provides education and information to agents, employers and member carriers through outside speaking engagements and by attending industry trade shows.



DATA QUALITY

Staff: Pam Flaten

Main Functions

- Data quality assurance.
- Develops processes and procedures for operational workflow.
- Key representative for Data Quality Industry Groups, Forums, and Industry Committee Work Groups.

UNIT STATISTICAL/EXPERIENCE RATING

Staff: Penny Sjoquist, Ora Lowery, Cindy Westphal, Letha Kuehn and Christine Flaschberger

Main Functions

- Collects, analyzes, interprets and summarizes statistical data for the voluntary and self-insured markets.
- Administers notice and/or fining process for incorrect or late reporting of unit statistical data.
- Handles unit statistical data reporting inquiries from carriers and other interested parties.
- Oversees experience ratings, interstate ratings and merit ratings.
- Researches and resolves policy ownership change issues.



ACTUARIAL

Staff: Sharon Bye and Auntara De

Main Functions

- Coordinates the various actuarial, statistical, reporting and administrative aspects of the process for publishing the annual Ratemaking Report.
- Develops, maintains and provides actuarial, statistical and economic technical expertise for both internal and external sources.

POLICY DATA ENTRY

Staff: Jane Payne, Gayle Dussling, Lericc McMillan, Vicki Evenson, Penny Lord, Kim Eckhart and Phyllis Rence

Main Functions

- Data entry of policies, endorsements, cancellations and reinstatements.
- Initiates requests for additional or corrected policy information, when appropriate.
- Data entry of MCPAP applications.
- Processes Assigned Risk applications including the calculation of premium quotes.
- Responds to inquiries on Assigned Risk Application from employers, agents and other interested parties.



POLICY TAPE

Staff: Kim LaHoud, Jody Hetrick and Mary Munt

Main Functions

- Reviews, analyzes and validates policy data information submitted electronically by member carriers.
- Key liaison in communicating and resolving issues with member carriers related to the electronic submission of policy data to MWCIA.

HUMAN RESOURCE & ACCOUNTING

Staff: Karen Ose and Sue Erickson

Main Functions

- Assists in planning and directing the accounting and budgeting activities for MWCIA.
- Administers the assessment and reapportionment of member carriers.
- Manages the Human Resource function for MWCIA personnel.



ADMINISTRATION/FACILITIES

Staff: Jan Olson, Margaret Clark, Carmen Day and Mary Loehrs

Main Functions

- Coordination of membership tracking and maintaining email distribution lists.
- Responsible for receptionist duties and mailroom activities.
- Provides administrative support to management and Board of Directors, including the planning of annual events for member carriers such as the Annual Meeting, Annual Lunch and Annual Golf Outing.
- Handles facilities including office space and telephone systems.



INFORMATION TECHNOLOGY

Staff: Muhammad Kashif, Tom Goodrich, Savitha Venkateshaiah, Ailyna Khath, Pat Riley, Scott Gatzke, Marc Coleman, Debbie Peterson, Sue Levey, Deb Ronald and Bill Kostur

Main Functions

- Responsible for database administration including software and web development.
- Provides technical help desk, batch job administration, system security, ensures networking capability, backup systems, connectivity and email capability.
- Responsible for imaging administration.
- Electronic data transmission (administration and loading).
- Provides user support documentation and training.
- Responsible for translating business needs (external and internal) into project designs by conducting requirement gathering and project documentation.
- Dual role of representing MWCIA and leading collaborative projects with other bureaus and state agencies.
- Represents MWCIA in industry standards discussions.
- Technical support of MWCIA website.
- Responsible for system testing.



MEMBERSHIP

EVENTS















