



Reflecting on the past,  
looking to the future

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## President's Letter



## PRESIDENT'S Letter

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Throughout 2013, we've been celebrating the fact that the release of our 2014 Ratemaking Report will mark 30 years of existence as the Minnesota Workers' Compensation Insurers Association, Inc. In last year's Annual Report, I previewed some of the reasons I believe it was important to highlight 30 years of existence. For 16 of those years, I've had the honor to serve as President.

Over the years of my tenure here and stretching back into the early 1980s, our industry and our Association has seen a number of changes. Some of these have been within our Association, others have been outside our Association but within the industry itself, and still others occurred between us and our fellow Associations.

For those of you who would like to delve into the details of these changes, I direct to you "A Brief History of MWCIA" which can be found at <http://www.mwcia.org/AboutMWCIA.aspx> on this website, but for the purposes of this letter, I thought it appropriate to recap some of the turning points that have led to our modern day Association.

First, those changes that occurred within the worker's compensation industry, outside of our Association:

- > Early in the 1980s, the Minnesota Legislature passed Minnesota Statute 79.61 establishing what would become known as the MWCIA as a Data Services Organization, which set the stage for many good things to come;
- > In 1992 and 1995, the State of Minnesota passed significant legislation that:
  - Required prior approval by DOC for all rates;
  - Updated benefit schedules;
  - Initiated managed care; and
  - Reshaped a number of other important cost drivers in the system.



Because of these laws, Minnesota workers and employers benefit from significantly lower pure premium rates – as much as 10.3 percent lower than in 1984 when the first Ratemaking Report was released. This translates into significant savings for all parties and contributes to the overall strength of the State’s economy as well since healthy workers make for healthy employers which nourish higher levels of employment and provide greater revenue to the State and its citizens through increased productivity and competitiveness.

Of the many changes that happened within our Association, the following had the greatest impact on us and our industry:

- > MWCIA’s Ratemaking Report was approved and introduced in 1984, establishing a conformity in how data was gathered and reported, providing carriers with the best information possible on pure premium rates from which to establish their own rates;
- > In the late 1990s, we began developing MWCIA’s initial fully functional website platform as a primary source of products, services and information;
- > During this same period of time, we took initial steps to position MWCIA for the future by conducting a major restructuring of how we worked and how processed our work, leading to some of the most advanced and accurate automated systems in the industry;
- > ARROW (Actuarial Report Resource on the Web) a resource member insurers can access under security to compare their own data against state-wide data; as well as,
- > The development and implementation of ACCEDE™, (Automated Carrier Call Entry and Data Edit), Manage USR and Manage Policy, three highly functional on-line systems for checking, editing, and correcting submitted data; and
- > We further addressed our future by naming Brandon Miller as my successor. Brandon is one of the Midwest’s best known and skilled professionals whose vision for MWCIA is deepened by his former years of service on our Board of Directors.



These advances, both in our industry and in our Association, also benefited the collaborations we have established with fellow Associations that have led to such organizations, products and services as:

- > Spectrum Partners, which developed a powerful and highly functional internal operational system and now comprised of six independent Data Collection Organizations (DCO);
- > ACCCT (The American Cooperative Council on Compensation Technology), which developed data handling tools such as BEEP and PEEP, which eventually led to;
- > CDX (Compensation Data Exchange) developed by ACCCT, which is a web-based superhighway in the sky for the submission of policy and unit statistical data by member insurers to the respective independent DCO.

As you can see, the past 30 years have been an exciting time for MWCIA and our industry with many crucial changes all of which have played a significant role in the evolution and improvement in how we serve the workers of Minnesota.

It has been an interesting and stimulating experience for me to serve MWCIA. I have had the privilege and the honor of working with some of the best professionals I will ever know and I am delighted that I am leaving you in the hands of one of the very best of them, Brandon Miller.

I'm truly thankful for these past 16 years and may all our futures be bright and prosperous.

Sincerely,



Bruce A. Tollefson  
President



## EXECUTIVE VICE PRESIDENT'S Letter

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I am honored to succeed Bruce Tollefson who is retiring in early 2014 as president of MWCIA.

I am a 25 year veteran of the workers' compensation insurance industry, including my work with the Minnesota Department of Labor and Industry. While I served eight years on the MWCIA board of directors, I have come to learn so much more about our Association since I began this interim role in February 2013.

Certainly, we have much to be proud of in the legacy Bruce Tollefson is leaving. Over the past 16 years, Bruce has taken us from a predominately paper-based system to the highly efficient electronic operation we have today. This has benefited our member carriers, agents, policyholders and the MWCIA as an organization. These developments have streamlined virtually all aspects of our processes for reporting statistical, financial and ratemaking data, providing proof of coverage services and implementing consistent data practices across multiple Data Service Organizations.

The technological advances we've made, in tandem with the open atmosphere we have fostered with our fellow DCOs, has led to some of our industry's greatest advances through collaborations and creations like Spectrum, ACCCT, CDX and other initiatives.

In 2013, we continued to strengthen our customer focus by developing even better solutions, services and systems in the areas of:


- > **Technology and Applications** through enhancements to our infrastructure, especially as they apply to our core functions and customer-facing applications;
- > **Operations** through even stronger fiduciary management and planning to serve our members more efficiently, effectively and accurately;



- > **Staffing** by focusing on new technology as we experience the need for different skill sets and a flatter organization overall, especially as many of our long-term staff reaches retirement. Therefore, cross-training and succession planning will continue to be a crucial component to our future success;
- > **Data Analysis** by creating strategies to continually enhance our ongoing research into claim cost trends and developments in using new data sets to help our members better manage workers' compensation underwriting, pricing and claims. This effort naturally improves the value of our Ratemaking Report, as well, to all audiences; and,
- > **Training** our audiences, user groups and others about the great tools we have in place and the powerful capabilities they can unleash to make their jobs easier so that they can focus on their organization's core functions.

I am looking forward to 2014 and beyond, which I believe will be an exciting time for the MWCIA as we further initiatives which will improve our services and value for all our customers. I am delighted to work with such an experienced and knowledgeable staff and such excellent members as together we chart the next chapter in MWCIA's impressive history.

We are the Minnesota Workers' Compensation Insurers Association, a quality provider of information and services.



Brandon Miller

Executive Vice President



# State of the Market





## STATE OF THE Market

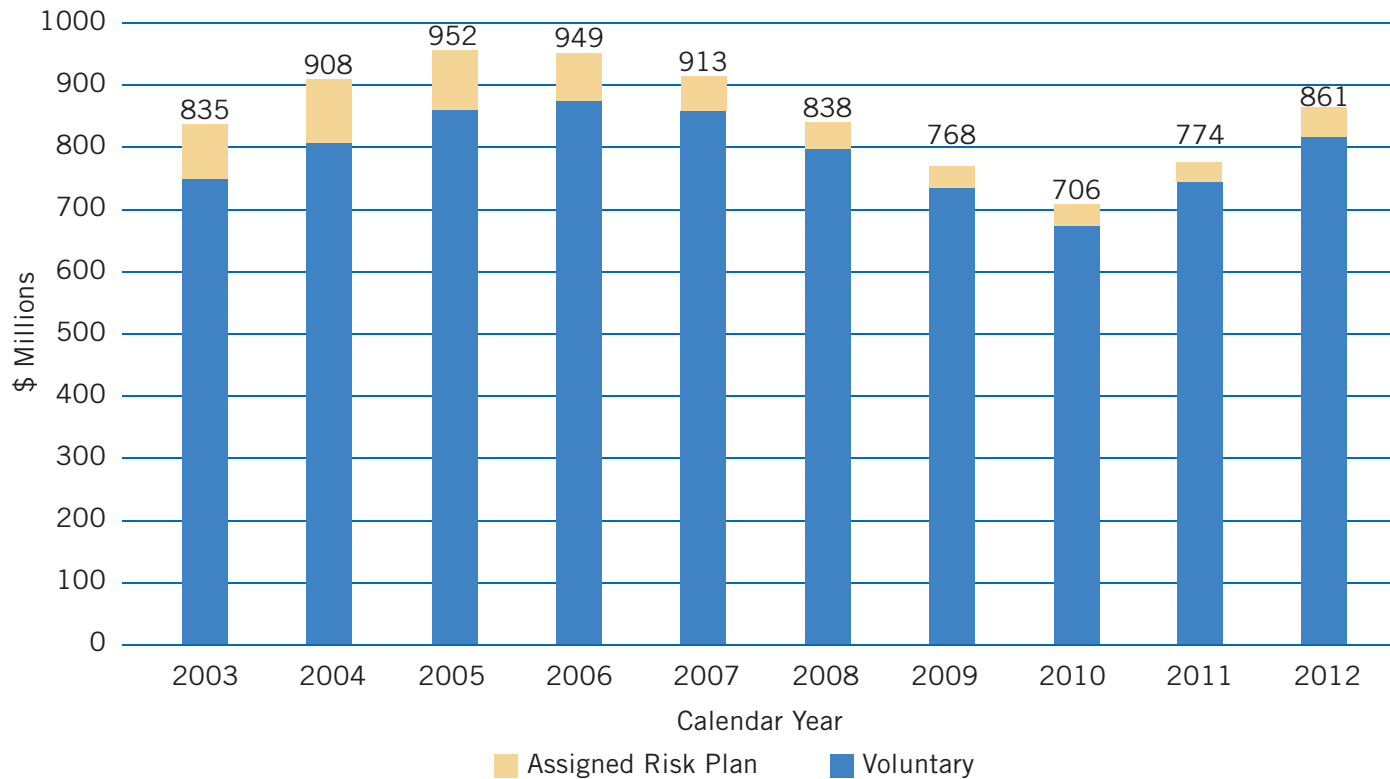
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The Minnesota workers compensation market continues to be healthy, stable, and predictable. The underwriting cycle shifted starting in 2011, increasing insured premium volume and dropping loss ratios. Case frequency is again showing signs of improvement, and carriers continue to release indemnity reserves at a steady rate. The movement in medical severity rates has stabilized, and medical reserve strengthening has been much less significant as a result.



### DIRECT EARNED PREMIUM

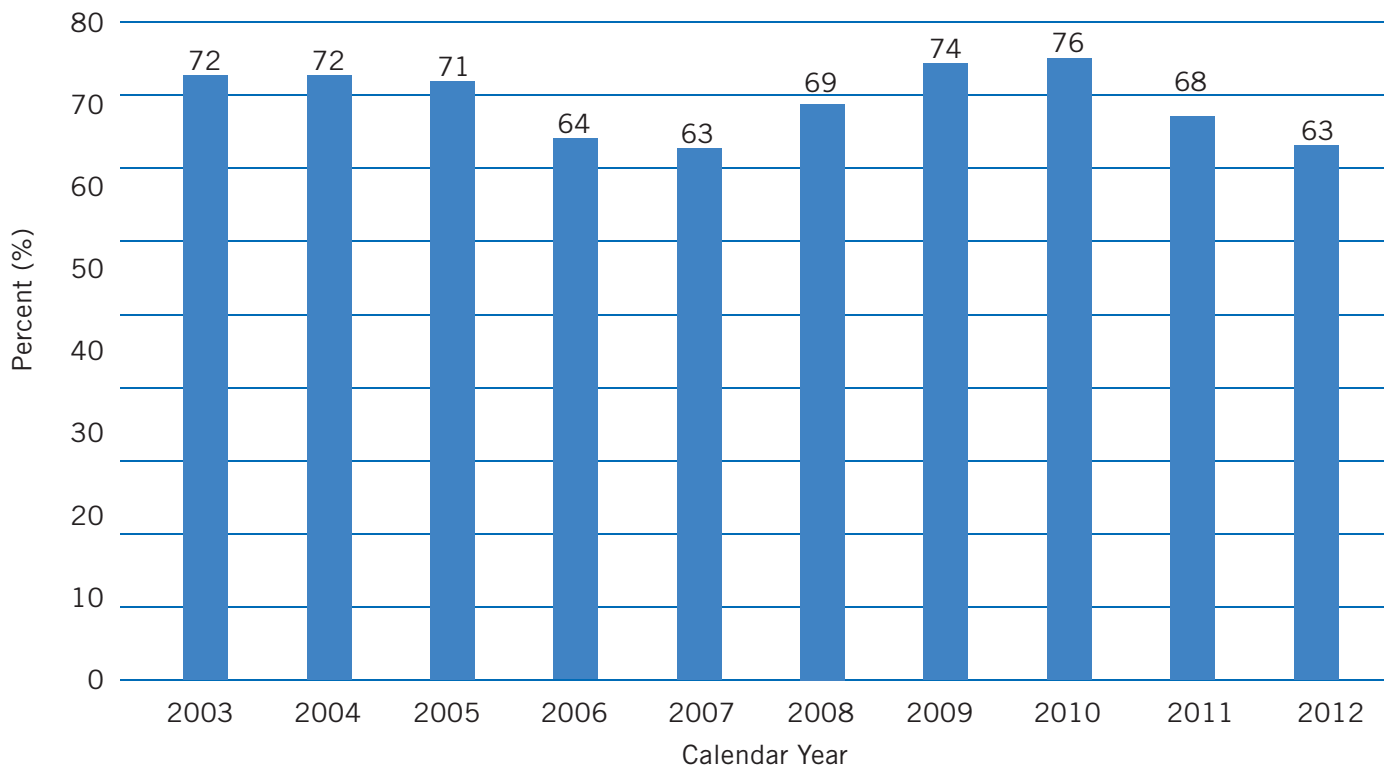
Following more than a 25% premium level decrease in the previous five years, insured premiums have now increased over 20% from 2010-2012.





### CALENDAR YEAR LOSS RATIOS

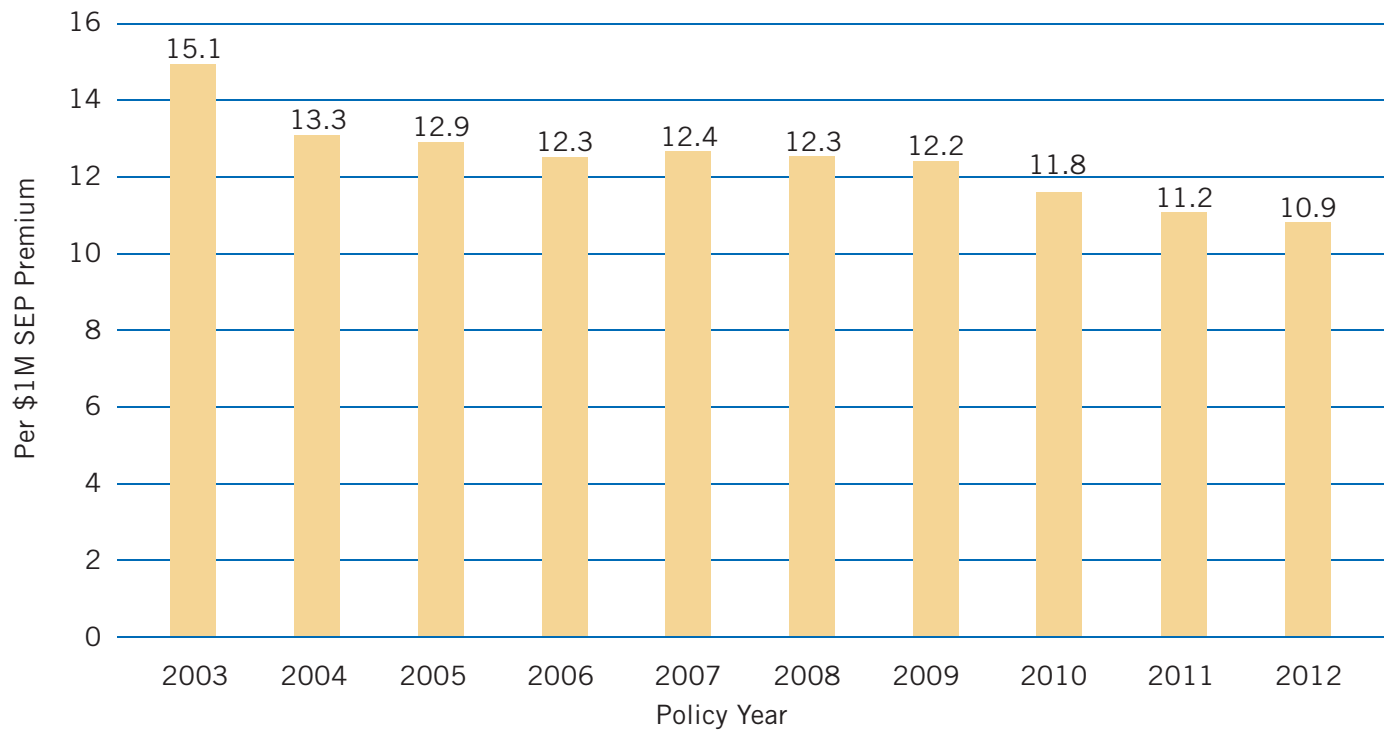
Voluntary market insured loss ratios have improved over 17% from 2010-2012 after three years of declining experience.





### LOST-TIME FREQUENCY

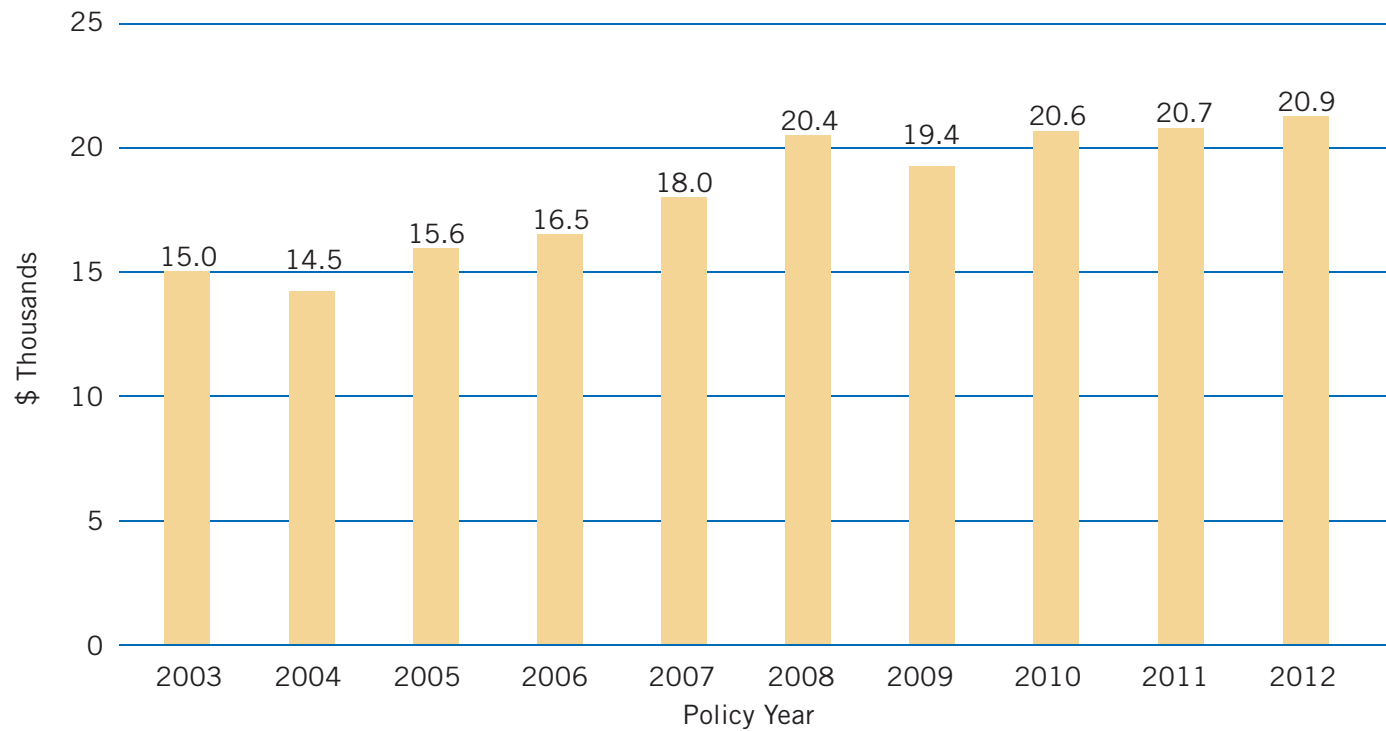
Average lost-time case counts are decreasing again, with a 10% improvement over the latest three years.





### LOST-TIME MEDICAL PAID+CASE SEVERITY

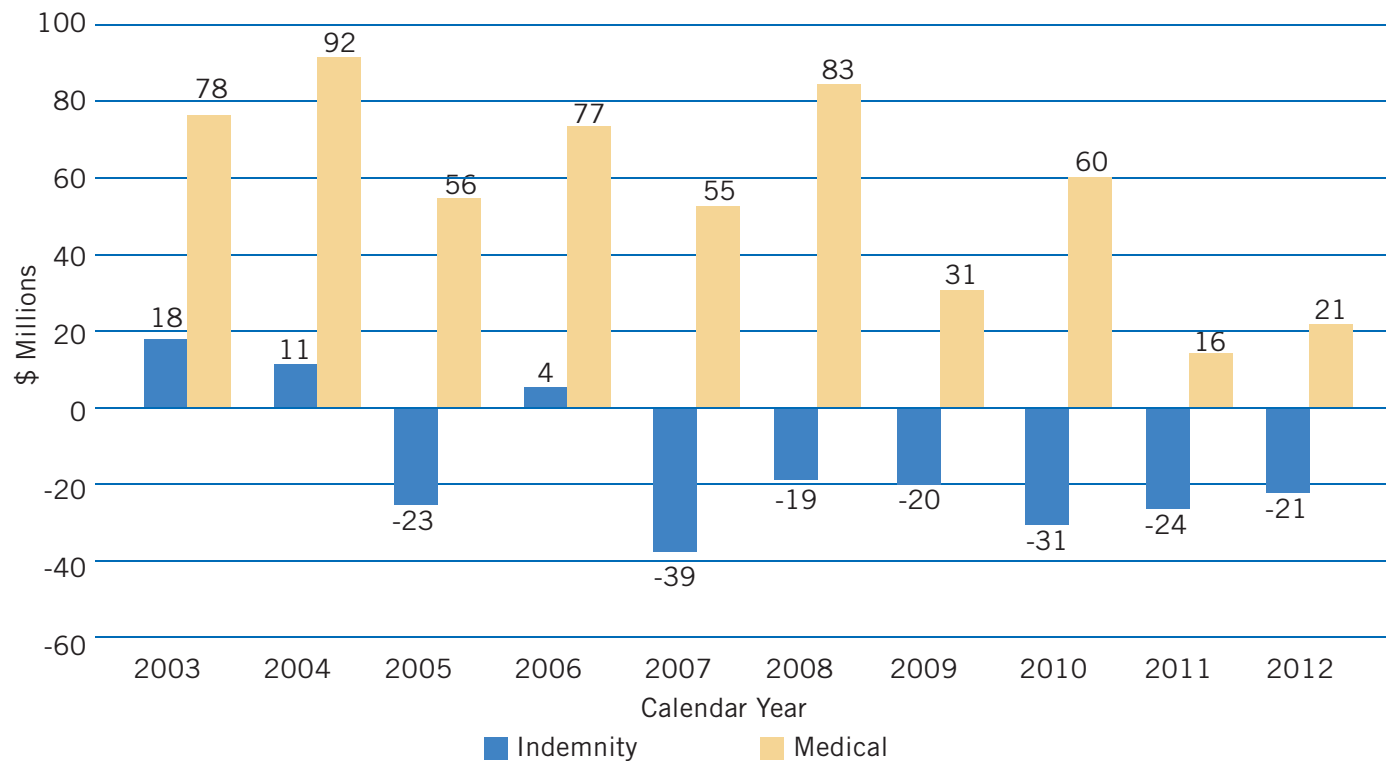
Average case incurred medical costs associated with lost-time injuries have stabilized. Since 2008, severities have increased at an average rate of less than 1% per year.





### CASE RESERVE CHANGES

Consistent indemnity case reserve reductions continue, averaging 3% per year since 2006. Medical case reserves continue to increase, but at slower rates in recent years. The medical reserve level increased only 2% during 2012 – yet now stands at close to 60% of total case reserves.





## Products & Services

## PRODUCTS & Services

### OPERATIONS SERVICES, KATHLEEN PETERSON

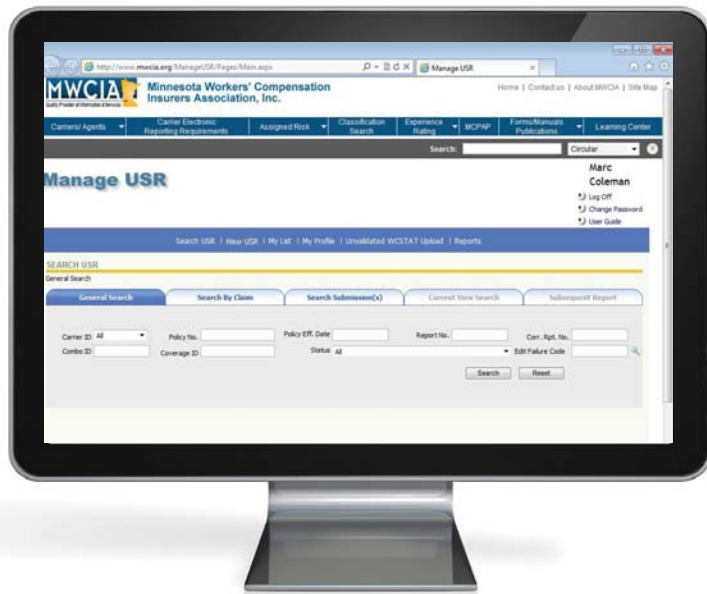
Over the past year, Operations Services has continued to enhance the accuracy and timeliness of our data quality. This goal was realized through MWCIA's array of software products, processes and cross-trained staff – all of which made it possible to better serve our members and other industry stakeholders.

*Examples of these efforts include:*

**Elimination of Hard Copy Policy Data Submissions:** 2013 marks the completion of our first full year of accepting only electronic submission of policy data. This has enabled us to improve not only the accuracy and timeliness of the data we collect, but the ability to analyze it more quickly and thoroughly. What's more, electronic submission increases the efficiency and effectiveness by which all parties report data.

**Manage Policy System:** Created to help member carriers electronically manage their own policy data, Manage Policy System allows members to resolve coverage issues, address policy errors and verify records on-line.

**Manage USR Release 2:** This web-based application enables our member carriers to manage submissions and facilitate full online supervision of their USR data. The member carrier has the ability to create new USRs as well as make replacements, corrections, subsequent reports, and revisions to un-submitted data.







**Experience Mod History and Experience Mod Calculator:** The Experience Mod History allows users to search for employer experience, while the Experience Mod Calculator allows users to estimate Minnesota intrastate experience modifications.

The Mod Calculator is not intended to cover all the rules and exceptions found in the Experience Rating Plan Manual, nor can it create a final experience modification worksheet. It does, however, calculate experience modifications based on the payroll and actual loss information provided. This application also allows for the calculation of “what if” scenarios by giving the user the ability to adjust information.

**Classification Search:** This application allows the user to search for Class Code Descriptions within the Minnesota Classification Index.

**On-Line Assigned Risk Plan Application (OAR):** OAR is web-based software that allows Minnesota Assigned Risk Applications to be submitted electronically. This automated on-line system benefits the marketplace by enhancing the efficiency and accuracy of processing Minnesota Workers’ Compensation Assigned Risk Plan Applications.

**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, Premium Calculator and Search Functions:** We have enhanced these MWCIA Assigned Risk web-based applications to include merit rating information, providing additional detail to member carriers and agents.

**Carrier Data Quality Report:** In 2013, MWCIA distributed carrier data quality reports for data received or due in 2012 to provide carriers with useful feedback regarding the quality and timeliness of the data they submitted in 2012. This is the fifth year the MWCIA has produced carrier data quality reports.

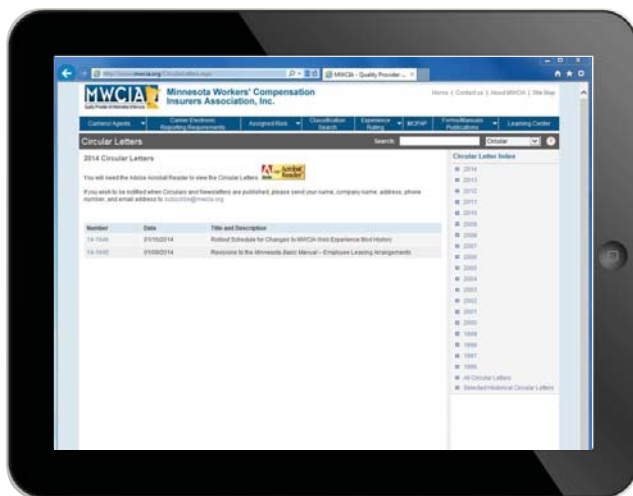


**MWCIA Circular Letters:** The MWCIA Circular Letters provide official notification to our members on a wide range of subjects and activities including filings that have been approved or orders given by the Department of Commerce. Written by the MWCIA staff, circular letters are posted on our website, delivering timely information on changes that have a direct impact on member and customer businesses.

**MWCIA Brochures:** We continue to publish brochures to educate and inform members and customers on specific topics. Some that are available online at [www.mwcia.org](http://www.mwcia.org) include “Understanding Experience Rating”, “How to Complete Minnesota’s Workers Compensation Assigned Risk Plan Application” and “Minnesota Contractors Premium Adjustment Program.”

**MWCIA Quarterly Newsletter:** MWCIA News is a forward thinking, educational communiqué written by staff and published on the web to add value to MWCIA’s mission statement. (All articles are fact-based and do not express any legal opinions.)

**MWCIA Education and Informational Presentations:** Built on prior year accomplishments, 2013 again witnessed an increase in demand for Workers’ Compensation education and training. MWCIA continues to enhance relationships and seek opportunities to reach out further to the insurance community (carriers, agents, brokers, trade associations and employers). Not only word of mouth, but also MWCIA’s website communications and quarterly newsletters have created an increased demand for Workers’ Compensation education and training presentations.





*2013 benchmarks included:*

- > Continued twice-quarterly Department of Employment and Education presentations;
- > Presentation at the MN Chapter of CPCU;
- > Presentation at the Minnesota Department of Labor & Industry Summit;
- > Presentation at the Twin Cities Insurance Club;
- > Guest lecturer for “Insurance Theory and Practice” class at the University of Minnesota; and,
- > Carrier and National Broker presentations addressing pertinent Workers’ Compensation topics.

**MWCIA Cross Index:** The MWCIA website includes a [Cross Index](#) for Minnesota Endorsements 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.

**CompAsk:** [CompAsk](#) is a web-based byproduct of inquiries MWCIA receives from the insurance community (employers, agents, and carriers). As the content changes over time, old information is archived in the Learning Center to make room for new content. This ability to archive information allows us to retrieve or recycle information that is time sensitive or cyclical in nature.

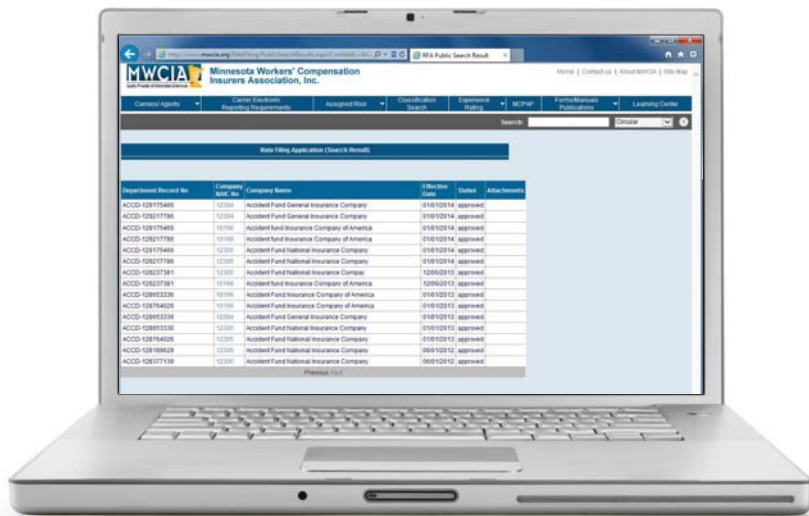


## ACTUARIAL SERVICES, CRAIG ANDERSON RATEMAKING REPORT

The 2014 Ratemaking Report was released on August 8. We are pleased to get the Ratemaking Report to our members as early as possible, allowing our members ample time to review its findings and determine their own pricing for the coming 12-month cycle.

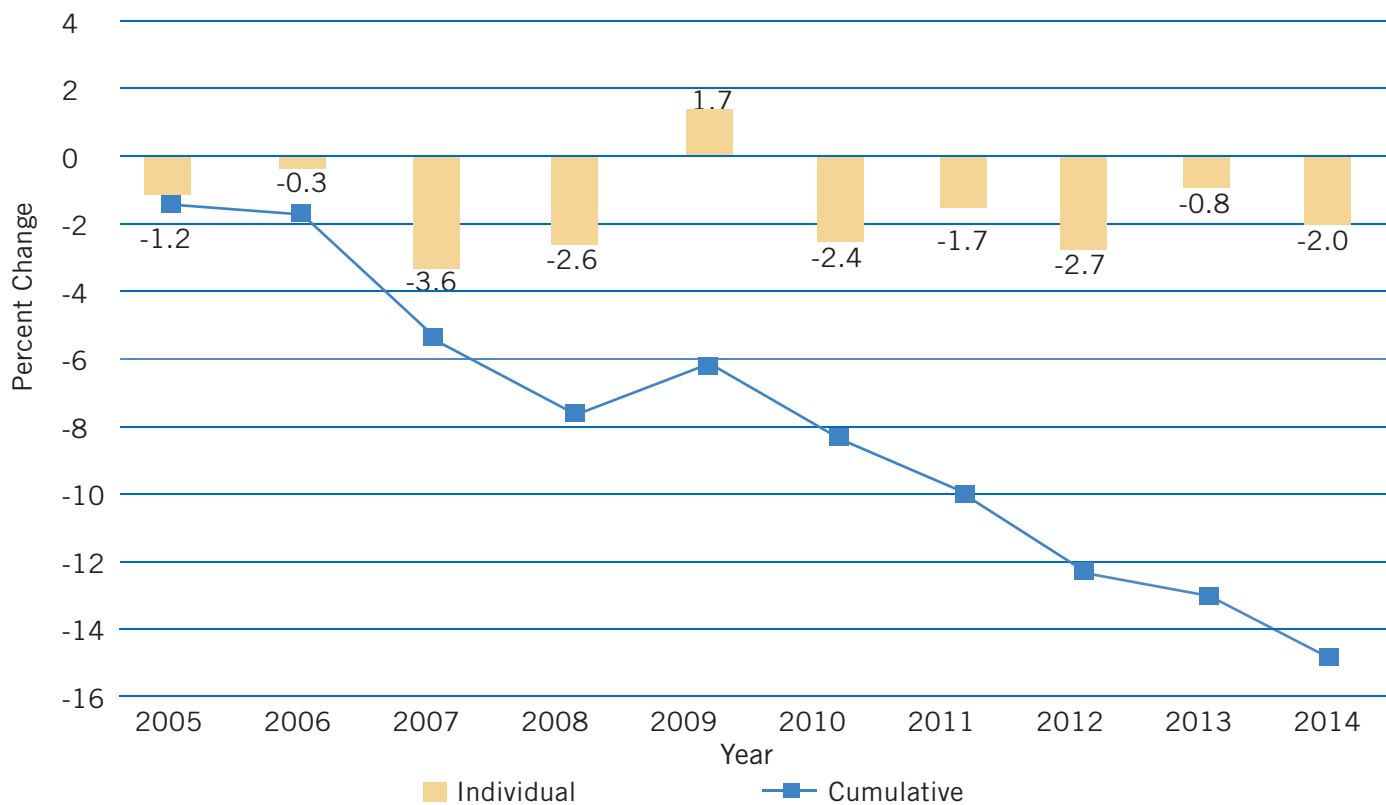
As displayed in the accompanying chart, the pure premium base rate level decreased 2.0 percent this year. By specific industry, this breaks down as follows:

Manufacturing	-11.0%
Contracting	1.5%
Office & Clerical	2.8%
Goods & Services	0.5%
Miscellaneous	- 2.8%





The pure premium base rate level continues to demonstrate strong stability. In the last ten years, the level has experienced nine decreases and one increase. On average, 2014 base rates are 14.6 percent lower than their 2004 counterparts.





## 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. 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 2013, ARROW was integrated into the MWCIA Web Membership system.





### **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. During 2013, with the assistance of the IT Department, Actuarial staff completed the final phase of a two phase upgrade of ACCEDE™ Online. Phase 1 was implemented in 2012 and included an online Acknowledgment Form, the new Large Loss Call as requested by the WCRA, an expansion to the new Loss Cost Multiplier screen, and other enhancements made to streamline the program.

Phase 2 was implemented in 2013 and included a complete rewrite of the program to upgrade the internal processes to current technologies, in addition to making the online features even more robust.

### **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 used to produce class rate relativities, and affords staff comprehensive tools for thorough class ratemaking research and sensitivity testing. TRACER was recently updated to produce pure premium rates based on the new likely/not-likely loss development methodology. This ratemaking enhancement is consistent with NCCI procedural changes being implemented countrywide.





### **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.

### **MEDICAL DATA CALL**

One of MWCIA's core activities is the analysis and pricing of proposed state legislation. Over 60 percent of Minnesota workers' compensation benefits are attributable to medical costs—so the need is paramount for a strong resource to assist MWCIA in reviewing and evaluating medical benefit change alternatives.

In November 2007, the NCCI announced the launch of their new Medical Data Call. MWCIA followed suit in 2010 and contracted with the NCCI to capture this data and provide detail and summaries for review and research.

Beginning with the medical transactions submitted to the NCCI starting in the third quarter of 2010, semi-annual extracts are being sent to MWCIA. Data sets include transactional information on claims with transaction dates after July 1, 2010.

Eventually, these extracts will build up to five full years of medical services. And by archiving the oldest six months of services from each prior five year extract, we plan to compile up to ten full years of medical service data for the purposes of producing development triangles and affecting other analyses.





## INFORMATION TECHNOLOGY, SUE LEVEY

MWCIA strives to provide quality software solutions to help our customers meet their needs. In 2013, we pursued several new initiatives while maintaining a focus on our core systems.

### WEB MEMBERSHIP

The Web Membership system allows MWCIA customers to establish and conveniently manage their own accounts and permissions for MWCIA web products. In 2013, MWCIA added ACCEDE™, Manage USR, and ARROW to Web Membership. In January, 2014, the new Web Experience Mod History product will be integrated. Manage Policy was introduced as the first Web Membership product in 2011.

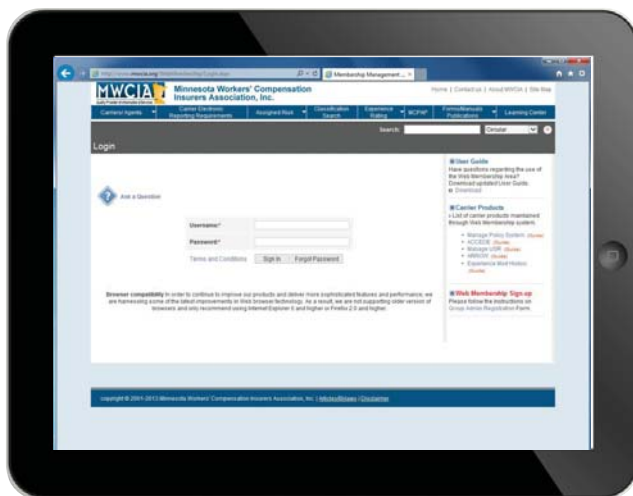
### ACCEDE™

In January, 2013, MWCIA rolled out a completely rewritten ACCEDE™ financial call product. ACCEDE™ was rewritten to take advantage of new technology, provide additional features to our customers, and integrate carrier and bureau functions into a single, flexible, efficient product.

### ARROW

ARROW (Actuarial Report Resource on the Web) was rewritten in 2013 with an updated look and feel. ARROW allows MWCIA customers to generate parameter-driven reports based on aggregated unit statistical data.

Statewide reports are available to the public. Member carriers can query their own data.





### **BUSINESS CONTINUITY AND DISASTER RECOVERY PLANNING**

In 2013, MWCIA business and IT staff collaborated on a company-wide effort to document current systems and processes for business continuity planning. Business continuity planning pertains to a company's ability to conduct normal operations despite any potential disruptions. A new disaster recovery plan defines our procedures for dealing with significant disruptive events. These efforts contribute to MWCIA's ability to maintain continuous quality service to our customers.

### **MANAGE POLICY AND MANAGE USR**

The Manage Policy and Manage USR systems are critical tools MWCIA provides to member carriers so that they can manage the important data they submit to us. In 2013, MWCIA made several enhancements to these systems, including the addition of fine invoices to Manage USR and the inclusion of policy follow-up information to Manage Policy.

### **ONLINE ASSIGNED RISK (OAR)**

Developed in 2007 for the Minnesota Workers' Compensation Assigned Risk Plan (MWCARP), OAR allows agents and employers to complete Assigned Risk applications and make electronic payment online.

<b>Description</b>	<b>OAR Count</b>	<b>Paper Count</b>
ASSIGNED	7949	1340
RETURNED	4018	138



### **SERVER VIRTUALIZATION**

In 2013, MWCIA converted the last of its eligible physical servers to run in a virtualized environment, completing the shift from a “one application – one box” approach to a “shared hardware resources” approach. Virtualization improves our resource management capabilities, increases the stability and availability of our servers, reduces energy consumption, and enhances our disaster recovery options.

### **WEB EXPERIENCE MOD HISTORY**

In 2013, MWCIA completed development and testing of a new and improved system for carriers and agents to lookup employer information, review experience mod history, and download experience ratesheets. Member carriers will be able to download ratesheets in bulk in a variety of convenient formats. The Web Experience Mod History application rolls out to the MWCIA website in January, 2014.

### **WEBSITE JAVA CONVERSION**

This past year, MWCIA completed a two-year effort to convert all website Java applications to Microsoft.Net. This has allowed staff to standardize development and support environments, reduce training needs, and streamline maintenance. It has also eliminated our dependence on technology which may no longer be as well-supported in the future.



# Collaborations

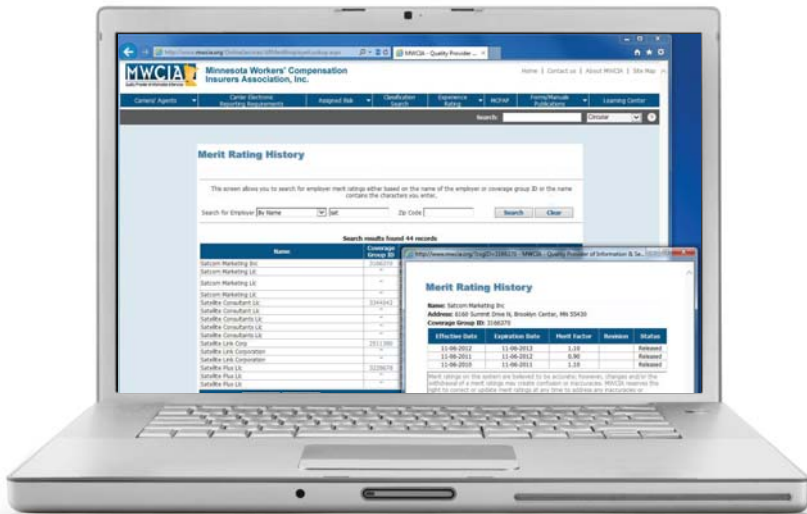
## Collaborations

MWCIA fills many roles to meet many needs. We are able to achieve this, not only through our own productions 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 (ISO). ACCCT's products include:

- > **BEEP™** (Bureau Entry and Edit Package) allows reporting organizations to transmit unit statistical information to any state insurance advisory and/or rating organization that is a BEEP™ member. Web-based BEEP™ provides functions such as import, enter, edit, and submit.
- > **PEEP™** (Policy Entry and Edit Package) allows policy reporting organizations to electronically enter, edit and transmit policy information to a Data Collection Organization. For similar functions related to Minnesota policies, we recommend using the **Manage Policy System** (available through the MWCIA website).





### **CDX (COMPENSATION DATA EXCHANGE)**

Developed in 2003, this data super highway facilitates the secure, electronic transmission of data between member insurers and Data Collection Organizations. Reporting organizations can transmit policy and unit statistical data to MWCIA. They can also receive experience and merit rating data from MWCIA.

### **SPECTRUM™ PARTNERS, LLC**

Spectrum Partners, LLC maintains a robust, internal data collection system that serves as the foundation for many of our products and services. In 2013, we completed a multi-year project to rewrite all SPECTRUM user interfaces with updated technology. Resulting improvements allow us to serve our customers more effectively.

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
- > Massachusetts
- > New York
- > North Carolina
- > Wisconsin
- > New Jersey



## ADDITIONAL RELATIONSHIPS

MWCIA is an active participant in national organizations such as:

**WCIO** The Workers' Compensation Insurers' Organization was 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** The International Association of Industrial Accident Boards and Commissions; and **IDMA** The Insurance Data Management Association.

*Our extended relationships and audiences also include:*

The Minnesota Department of Commerce;

The Minnesota Department of Labor and Industry; and

The Minnesota Workers' Compensation Reinsurance Association (WCRA), 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 we have been able to expand and enhance our capabilities.

What's more, in the process, we are able to truly further our mission as the quality provider of information and services.



## Documenting Results





## DOCUMENTING Results

### FINANCIALS & STATISTICS

#### 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.

	Assigned Risk	Voluntary Market	Totals
Policies (electronic)	27,659	106,635	134,294
Endorsements (electronic)	215,276	815,289	1,030,565
Cancellations/Reinstatements (electronic)	14,082	54,877	68,959
Cancellations/Reinstatements (paper)		188	188
<b>Grand Totals</b>	<b>257,017</b>	<b>976,989</b>	<b>1,234,006</b>



### **UNIT STATISTICAL PLAN**

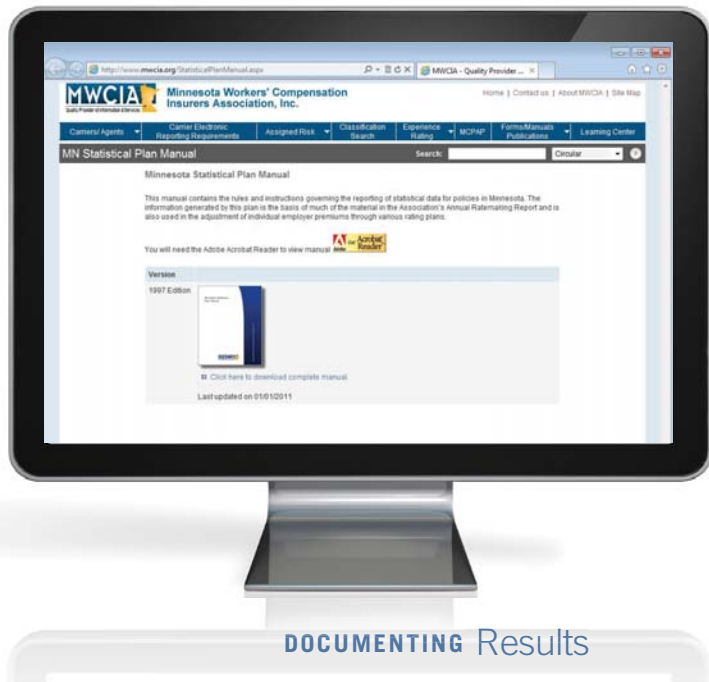
Unit Statistical Plan data is collected, processed, and tabulated for use in developing the classification data with the Association's Annual Ratemaking Report. During 2013, a total of 157,334 reports were collected.

### **FINES**

The Association has a fining procedure for delinquent unit statistical reports. This procedure generated \$50,050 in 2013.

### **INSOLVENT FUND ACCOUNT**

The Association continues to make regular payments to claimants of Security Casualty Company of Chicago. No assessments were levied in 2013.





### 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 21,089 files were published for Merit Rating in 2013. The 2013 Merit Ratings were distributed as indicated on the chart below.

Merit Rating Factor	Number of Assigned Risk Files
0.67	18,324
0.90	2,198
1.00	484
1.10	83



## EXPERIENCE RATING

During 2013, we continued our activities in connection with the experience rating of employers. 23,810 Minnesota intrastate experience ratings were published, including revisions. The 2013 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	6
Total Ratings between 0.60 & 0.69	86
Total Ratings between 0.70 & 0.79	1,176
Total Ratings between 0.80 & 0.89	5,578
Total Ratings between 0.90 & 0.99	10,382
Total Ratings between 1.00 & 1.09	1,415
Total Ratings between 1.10 & 1.19	1,118
Total Ratings between 1.20 & 1.29	1,199
Total Ratings between 1.30 & 1.39	1,256
Total Ratings between 1.40 & 1.49	682
Total Ratings between 1.50 & 1.59	361
Total Ratings between 1.60 & 1.69	230
Total Ratings between 1.70 & 1.79	121
Total Ratings between 1.80 & 1.89	63
Total Ratings between 1.90 & 1.99	69
Total Ratings greater than 1.99	76

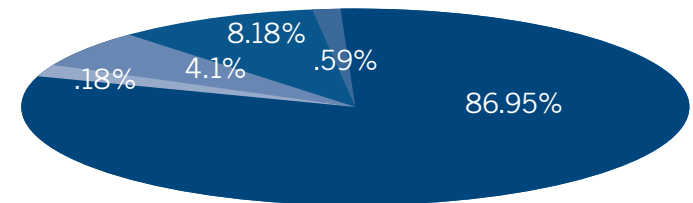


## REVENUE AND EXPENSES

MWCIA had revenues of \$8,503,926 of which \$7,394,545 was collected through the assessment process.

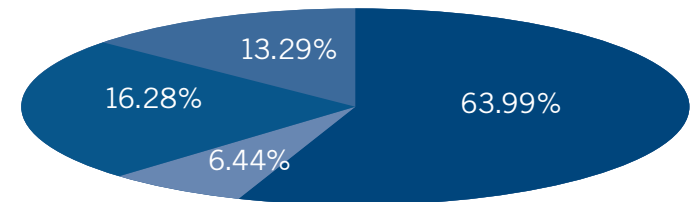
### Revenues

Assessments	7,394,545	86.95%
Contract Services	695,909	8.18%
USP Fines	50,050	.59%
Other	348,494	4.1%
Paper Processing	14,928	.18%
<b>Total</b>	<b>8,503,926</b>	<b>100%</b>



### Expenses

Compensation	4,901,515	63.99%
Management, General and Other	1,247,345	16.28%
Management Information Systems	1,018,212	13.29%
Rent & Utilities	493,356	6.44%
<b>Total</b>	<b>7,660,428</b>	<b>100%</b>





### COMMITMENTS AND CONTINGENCIES

Future lease and rent obligations have continued to drop, with future lease obligations of \$1,435,103 for 2014 and forward.

2014	224,280.00
2015	224,446.00
2016	209,685.00
2017	203,361.00
Thereafter	573,331.00
<b>TOTAL</b>	<b>1,435,103.00</b>





## Our Members

## OUR Members

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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 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  
Penn Millers Insurance Company  
Westchester Fire Insurance Company

ACUITY, A MUTUAL INSURANCE COMPANY

ADVANTAGE WORKERS COMPENSATION  
INSURANCE COMPANY

AETNA INSURANCE COMPANY OF CONNECTICUT

AIG  
AIU Insurance Company  
AIG Property Casualty Company  
American Home Assurance Company  
Commerce & Industry Insurance Company  
Granite State Insurance Company  
Illinois National Insurance Company  
Insurance Company Of The State Of Pennsylvania  
National Union Fire Insurance Company Pittsburgh  
New Hampshire Insurance Company

ALASKA NATIONAL INSURANCE COMPANY

ALEA NORTH AMERICA INSURANCE COMPANY

ALLEGHANY HOLDINGS  
Capitol Indemnity Corporation  
Platte River Insurance Company

ALLIANZ GLOBAL RISKS US INSURANCE COMPANY

ALLIED WORLD ASSURANCE GROUP  
Allied World Insurance Company

ALLSTATE INSURANCE GROUP  
Allstate Indemnity Company  
Allstate Insurance Company  
Allstate Property & Casualty Insurance Company  
Esurance Insurance Company of New Jersey  
Northbrook Indemnity Company

AMERCO  
RepWest Insurance Company

AMERICAN CENTENNIAL INSURANCE COMPANY

AMERICAN CONTRACTORS INSURANCE GROUP  
ACIG Insurance Company

AMERICAN EMPIRE INSURANCE COMPANY

AMERICAN FAMILY MUTUAL INSURANCE GROUP  
American Family Mutual Insurance Company  
Midvale Indemnity Company

AMERICAN FUJI FIRE & MARINE INSURANCE  
COMPANY

AMERICAN NATIONAL PROPERTY & CASUALTY  
COMPANY

AMERICAN PET INSURANCE COMPANY

AMERICAN RELIABLE INSURANCE COMPANY

AMERICAN ROAD INSURANCE COMPANY

AMERICAN SAFETY CASUALTY INSURANCE COMPANY

AMERICAN SENTINEL INSURANCE COMPANY

AMERICAS INSURANCE COMPANY

AMERISAFE, INCORPORATED  
American Interstate Insurance Company

AMERISURE COMPANIES  
Amerisure Insurance Company  
Amerisure Mutual Insurance Company  
Amerisure Partners Insurance Company

AMTRUST FINANCIAL COMPANY  
AmTrust Insurance Company of Kansas  
First Nonprofit Insurance Company  
Milwaukee Casualty Insurance Company  
Security National Insurance Company, Inc.  
Sequoia Insurance Company  
Technology Insurance Company  
Wesco Insurance Company

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

ARGO GROUP U.S.  
Argonaut Great Central Insurance Company  
Argonaut Insurance Company  
ArgonautMidwest Insurance Company  
Rockwood Casualty Insurance Company

ARROWPOINT CAPITAL GROUP  
Arrowpoint 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 Insurance Company  
Coliseum Reinsurance Company

**AXIS U.S. INSURANCE**  
AXIS Insurance Company  
AXIS Reinsurance Company

**BALDWIN AND LYONS INCORPORATED**  
Protective Insurance Company  
Sagamore Insurance Company

**BANCINSURE, INCORPORATED**

**BENCHMARK INSURANCE COMPANY**

**BERKSHIRE HATHAWAY HOMESTATE  
INSURANCE COMPANY**  
Oak River Insurance

**BROTHERHOOD MUTUAL INSURANCE COMPANY**

**BURLINGTON INSURANCE GROUP**  
First Financial Insurance Company

**CATERPILLAR INSURANCE COMPANY**

**CENTRE INSURANCE COMPANY**

**CENTURION 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 NATIONAL INSURANCE COMPANY**

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

**COMPANION PROPERTY & CASUALTY INSURANCE  
GROUP**

Companion Commercial Insurance Company  
Companion Property & Casualty Insurance Company

**COMPASS INSURANCE COMPANY**

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

**CUMIS INSURANCE SOCIETY, INCORPORATED**

**DAKOTA TRUCK UNDERWRITERS**  
Dakota Truck Underwriters  
First Dakota Indemnity Company

**DENTISTS INSURANCE COMPANY**

**DIAMOND INSURANCE COMPANY**

**EASTERN ALLIANCE INSURANCE GROUP**  
Allied Eastern Indemnity Company  
Eastern Advantage Assurance Company  
Eastern Alliance Insurance Company

**ELECTRIC INSURANCE COMPANY**

**EMC INSURANCE COMPANIES**  
EMC Property & Casualty Company  
EMCASCO Insurance Company  
Employers Mutual Casualty Company  
Hamilton Mutual Insurance Company  
Union Insurance Company of Providence

**EMPLOYERS HOLDINGS INC.**  
Employers Assurance Company  
Employers Compensation Insurance Company  
Employers Preferred Insurance Company

**ENDURANCE SPECIALTY GROUP**  
Endurance Reinsurance Corporation of America  
Endurance Risk Solutions Assurance Company

**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

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



**FARM BUREAU MUTUAL GROUP**  
Farm Bureau Property & Casualty Insurance Company  
Western Agricultural Insurance Company

**FARMERS INSURANCE GROUP**  
21st Century Advantage Insurance Company  
21st Century North American Insurance Company  
Farmers Insurance Exchange  
Foremost Insurance Company  
Foremost Property and Casualty Company  
Foremost Signature Insurance Company  
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  
National Surety Corporation  
San Francisco Reinsurance Company

**FLORISTS MUTUAL INSURANCE COMPANY**

**FM GLOBAL GROUP**  
Affiliated FM Insurance Company

**FRANKENMUTH MUTUAL INSURANCE COMPANY**

**FREESTONE INSURANCE COMPANY**

**GATEWAY INSURANCE COMPANY**

**GENERAL REINSURANCE GROUP**  
General Reinsurance Corporation  
Genesis Insurance Company

**GENERALI UNITED STATES BRANCH**

**GLOBAL REINSURANCE CORPORATION OF AMERICA**

**GMAC GROUP HOLDINGS**  
Integon National Insurance Company

**GMAC INSURANCE GROUP**  
MIC Property and Casualty Insurance Corporation

**GRANGE MUTUAL CASUALTY GROUP**  
Grange Mutual Casualty Company  
Integrity Mutual Insurance Company  
Integrity Property & Casualty Insurance Company  
Trustguard Insurance Company

**GRAY INSURANCE GROUP**

**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  
Triumph Casualty Company

**GREATER NEW YORK MUTUAL INSURANCE COMPANY**

**GRINNELL MUTUAL GROUP**  
Grinnell Mutual Reinsurance Company  
Grinnell Select Insurance Company

**GUARD INSURANCE GROUP**  
Aanguard 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 American Insurance  
Hanover Insurance Company  
Massachusetts Bay Insurance Company  
Nova Casualty Company

**HARCO NATIONAL INSURANCE COMPANY**

**HARLEYSVILLE INSURANCE GROUP**  
Harleysville Insurance Company  
Harleysville Lake States 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

**HDI GERLING GROUP**  
HDI Gerling America Insurance Company

**HEALTH CARE INSURANCE RECIPROCAL**

**HIGHLANDS INSURANCE COMPANY**

**HOME INSURANCE COMPANY**

**HORACE MANN INSURANCE GROUP**  
Horace Mann Insurance Company  
Teachers Insurance Company

**HOUSTON INTERNATIONAL INSURANCE GROUP**  
Great Midwest Insurance Company  
Imperium Insurance Company



ICW GROUP  
Insurance Company of the West

ILLINOIS CASUALTY COMPANY

IMT MUTUAL HOLDING COMPANY  
IMT Insurance Company  
Wadena Insurance Company

INDIANA LUMBERMENS MUTUAL  
INSURANCE COMPANY

IOWA MUTUAL INSURANCE COMPANY

IRONSHORE INDEMNITY, INCORPORATED

KINGSWAY AMERICA, INC.  
American Country Insurance Company  
Mendakota Insurance Company  
Mendota Insurance Company

KNIGHTBROOK INSURANCE COMPANY

LANCER INSURANCE COMPANY

LIBERTY MUTUAL INSURANCE GROUP  
American Economy Insurance Company  
American Fire and Casualty Company  
American States Insurance Company  
Consolidated Insurance Company  
Employers Insurance Company of Wausau  
First Liberty Insurance Corporation  
First National Insurance Company of America  
General Insurance Company of America  
Hawkeye-Security Insurance Company  
Indiana Insurance Company  
Liberty Insurance Corporation  
Liberty Mutual Fire Insurance Company  
Liberty Mutual Insurance Company  
LM General Insurance Company  
LM Insurance Corporation  
LM Property and Casualty Insurance Company  
Midwestern Indemnity Company  
Netherlands Insurance Company

LIBERTY MUTUAL INSURANCE GROUP (continued)  
Ohio Casualty Insurance Company  
Ohio Security Insurance Company  
Peerless Indemnity Insurance Company  
Peerless Insurance Company  
Safeco Insurance Company of America  
Wausau Business Insurance Company  
Wausau Underwriters Insurance Company  
West American Insurance Company

LUMBERMENS MUTUAL GROUP  
American Manufacturers Mutual Insurance Company  
American Motorists Insurance  
Lumbermens Mutual Casualty Company

LUMBERMEN'S UNDERWRITING ALLIANCE

MADA INSURANCE EXCHANGE

MAIN STREET AMERICA GROUP (THE)  
Spring Valley Mutual Insurance Company

MARKEL CORPORATION GROUP  
FirstComp Insurance Company  
Markel Insurance Company

MCM CORPORATION GROUP  
Acceptance Indemnity Insurance Company  
Occidental Fire & Casualty Company of North Carolina

MEADOWBROOK INSURANCE GROUP  
Star Insurance Company

MEDMARC CASUALTY INSURANCE COMPANY

MEMIC INDEMNITY COMPANY

MEEMIC INSURANCE COMPANY

METLIFE AUTO & HOME GROUP  
Economy Fire & Casualty Company

MHA INSURANCE COMPANY

MICHIGAN MILLERS MUTUAL INSURANCE COMPANY

MIDSTATES REINSURANCE CORPORATION

MIDWEST FAMILY MUTUAL INSURANCE COMPANY

MIDWEST INSURANCE COMPANY

MILLERS GENERAL GROUP  
Millers First Insurance Company Insurance

MOTORISTS INSURANCE GROUP  
Motorists Commercial Mutual Insurance Company  
Wilson Mutual Insurance Company

MS & AD INSURANCE GROUP  
Aioi Nissay Dowa Insurance Company of America  
Mitsui Sumitomo Insurance Company of America  
Mitsui Simitoma Insurance USA Inc.

MUNICH RE AMERICA CORPORATION GROUP  
American Alternative Insurance Corporation  
American Family Home Insurance Company  
American Modern Home Insurance Company  
Munich Reinsurance America, Inc.

NATIONAL AMERICAN INSURANCE COMPANY

NATIONAL INDEMNITY GROUP  
Atlanta International Insurance Company  
National Indemnity Company  
National Liability & Fire Insurance Company  
Philadelphia Reinsurance Corporation



**NATIONWIDE INSURANCE GROUP**

Allied Insurance Company of America  
Allied Property & Casualty Insurance Company  
Amco Insurance Company  
Depositors Insurance Company  
Farmland Mutual Insurance Company  
Freedom Specialty Insurance Company  
Harleysville Preferred 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 COUNTRY INSURANCE COMPANY**  
NAU Country Insurance Company

**NAU GROUP**

**NORTH AMERICAN CASUALTY GROUP**  
Continental Indemnity Company  
Illinois Insurance Company  
Pennsylvania Insurance Company

**OLD REPUBLIC INSURANCE GROUP**

American Business & Mercantile Insurance Mutual Inc  
Bituminous 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  
Employers Fire Insurance Company  
OBI National Insurance Company  
OneBeacon America Insurance Company  
OneBeacon Insurance Company

**PARTNERRE GROUP**

PartnerRe Insurance Company of New York

**PARTNERRE INSURANCE COMPANY OF NEW YORK**

**PENNSYLVANIA LUMBERMENS MUTUAL INSURANCE COMPANY**

**PENNSYLVANIA NATIONAL MUTUAL CASUALTY INSURANCE COMPANY**

**PETROLEUM CASUALTY COMPANY**

**PHARMACISTS MUTUAL INSURANCE COMPANY**

**PMA INSURANCE GROUP**

Pennsylvania Manufacturers Association Insurance Company

**PREFERRED PROFESSIONAL INSURANCE COMPANY**

**PRO ASSURANCE GROUP**

ProAssurance Indemnity Company, Inc.

**PROSIGHT SPECIALTY INSURANCE GROUP**

New York Marine and General Insurance Company

**PROVIDENCE HOLDINGS GROUP**

Imperial Casualty and Indemnity Company

**PROVIDENCE WASHINGTON INSURANCE COMPANY**

American Physicians Assurance Corporation  
Providence Washington Insurance Company

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY**

**PXRE REINSURANCE COMPANY**

**QBE INSURANCE COMPANY**

North Pointe Insurance Company  
Praetorian Insurance Company  
QBE Insurance Company  
QBE Reinsurance Company  
Stonington Insurance Company

**QBE REGIONAL INSURANCE GROUP**

General Casualty Company of Wisconsin  
General Casualty Insurance Company  
National Farmers Union Property and Casualty Company  
Regent Insurance Company

**QUANTA INDEMNITY COMPANY**

**RAM MUTUAL INSURANCE COMPANY**

**RAMPART INSURANCE COMPANY**

**REPUBLIC COMPANIES GROUP**

Southern Insurance Company

**RLI INSURANCE COMPANY**

**RTW, INC.**

American Compensation Insurance Company  
Bloomington Compensation Insurance Company  
Plaza Insurance Company

**RURAL COMMUNITY INSURANCE COMPANY**

**SAFETY NATIONAL GROUP**

Safety First Insurance Company  
Safety National Casualty Corporation

**SAMSUNG FIRE & MARINE INSURANCE COMPANY LTD**

**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

**SFM MUTUAL INSURANCE COMPANY**

SFM 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

**STARR INTERNATIONAL USA INC.**

Starr Indemnity & Liability 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

**STATE NATIONAL GROUP**

National Specialty Insurance Company  
State National 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

**TAWA GROUP**

Lincoln General Insurance Company

**T.H.E. INSURANCE COMPANY**

**TIG INSURANCE GROUP**

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

**Tokio Marine Holdings**

TNUS Insurance Company  
Tokio Marine America Insurance Company  
Trans Pacific Insurance Company

**TOWER GROUP COMPANIES**

CastlePoint National Insurance Company  
Preserver Insurance Company  
Tower Insurance Company of New York  
Tower National Insurance Company

**TRANSATLANTIC HOLDINGS INC.**

Transatlantic Reinsurance Company  
Fair American Insurance and Reinsurance Company

**TRANSGUARD INSURANCE COMPANY OF AMERICA, INCORPORATED**

**TRANSPORT INSURANCE COMPANY**

**TRAVELERS INSURANCE GROUP**

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.  
Nipponkoa Insurance Company Ltd.  
Northland Insurance Company  
Phoenix Insurance Company  
Select Insurance Company  
St. Paul Fire & Marine Insurance Company  
St. Paul Guardian 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 Constitution State 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

**TRIANGLE INSURANCE COMPANY INC**

**ULLICO 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



UTICA MUTUAL INSURANCE COMPANY

VANLINER INSURANCE COMPANY

VIRGINIA SURETY COMPANY, INCORPORATED

W. R. BERKLEY CORPORATION GROUP

- Acadia Insurance Company
- American Mining Insurance Company
- Berkley Insurance Company
- Berkley National 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
- Key Risk Insurance Company
- Midwest Employers Casualty Company
- Riverport Insurance Company
- StarNet Insurance Company
- TriState 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 GROUP

- American Select Insurance Company
- 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 Insurance Company of New York
- XL Reinsurance America Inc.
- XL Specialty Insurance Company

ZENITH NATIONAL 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



# Progressive Leadership



## PROGRESSIVE Leadership

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Our 2013 Annual Meeting was called to order at 9:30 a.m. Tuesday, April 16, 2013, at the MWCIA offices, 7701 France Avenue South, Suite 450, Edina, Minnesota. The following members were elected to fill the traditional four-year terms of those Directors whose terms that had expired:

**Director:**

Mr. Gary Preslaski  
Mr. Michael Levy  
Mr. Andrew Doonan  
Mr. Kevin Christy

**Representing:**

Owners Insurance Group (Stock)  
AIG (Stock)  
Zurich American Insurance Company (Stock)  
Western National Insurance Group (Non-Stock)

During 2012-13, we held four Board Meetings at which we focused our discussions on the 2014 Ratemaking Report, web-based delivery of MWCIA products and services, industry-wide collaborative efforts, MWCIA manuals, and communications.





As of December 31, 2013, 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.

<b>Director:</b>	<b>Representing:</b>
<a href="#"><u>Mr. Keith Krueger</u></a>	American Compensation Insurance Company
<a href="#"><u>Mr. Michael Levy</u></a>	AIG
<a href="#"><u>Mr. Paul Larson</u></a>	Federated Insurance Companies
<a href="#"><u>Mr. Peter Caminiti</u></a>	Liberty Mutual Insurance Company
<a href="#"><u>Mr. Gary Thaden*</u></a>	MN Mechanical Contractors Association
<a href="#"><u>Mr. Barry Preslaski</u></a>	Owners Insurance Company
<a href="#"><u>Mr. Brian Bent</u></a>	SFM Mutual Insurance Company
<a href="#"><u>Ms. Mary Wachholz</u></a>	Travelers
<a href="#"><u>Mr. Kevin Christy</u></a>	Western National Mutual Insurance Company
<a href="#"><u>Mr. Kevin Gregerson*</u></a>	Wilson-McShane Corporation
<a href="#"><u>Mr. Andrew Doonan</u></a>	Zurich American Insurance Company
<a href="#"><u>Mr. Wes Mattsfield</u></a>	RAM Mutual Insurance Company

\*Public member appointed by the Minnesota Department of Commerce



## **BIOGRAPHY OF BRIAN R. BENT**

### **AVP AND DIRECTOR OF UNDERWRITING SFM MUTUAL INSURANCE COMPANY**

A native of Lewistown, MT, Brian Bent received his Masters of Science degree from Central Missouri State University, Warrensburg, MO in 1989.

From 1995 to 1999, he worked as a branch manager for EBI Companies, Minneapolis, MN, before joining the Montana State Fund as its director of underwriting.

In 2003, he joined the Associated Financial Group as vice president of Property & Casualty Operations and in 2006 was named assistant vice president and director of underwriting at SFM Mutual Insurance Company.

He is a current officer and board member of the CPCU (Charter Property Casualty Underwriter) Chapter. Brian has served the Boy Scouts of America since 2004 in a number of leadership positions. He holds the insurance industry designations of CPCU and ARM (Associate in Risk Management).

He enjoys waterskiing, camping and snowmobiling.

He and his wife, Dana, make their home in Eden Prairie, MN with their four children.



## **BIOGRAPHY OF PETER CAMINITI**

### **SENIOR DIRECTOR OF STATE OPERATIONS LIBERTY MUTUAL INSURANCE COMPANY**

A native New Englander, Peter Caminiti holds a bachelor degree in accounting from the University of Connecticut. He began his career with Arthur Andersen LLP's Assurance and Business Advisory Services insurance practice in Hartford, CT.

After his time in public accounting, Mr. Caminiti joined Liberty Mutual Insurance in 2002 and has served in a variety of commercial property & casualty home office and field operation roles. His responsibilities have spanned several functions and business units.

He has held position across finance, underwriting and product management throughout small, mid and national business units. His diverse background includes responsibilities with field underwriting operations, servicing carrier operations, national construction wrap programs, captives and other complex transactions, product costing, ratemaking, pricing and modeling.

Peter currently is the Senior Director of State Operations for the Midwest, part of Liberty's Commercial Insurance Product Management group. He makes his home in Southborough, MA.



## **BIOGRAPHY OF KEVIN J. CHRISTY**

### **VICE PRESIDENT, CHIEF ACTUARY WESTERN NATIONAL MUTUAL INSURANCE COMPANY**

A native of Evanston, IL, Kevin Christy holds a 1995 degree in Actuarial Science from the University of Wisconsin, Madison. He began his career in the insurance industry as an Actuarial Analyst with Capitol Indemnity Company in 1995. In 1999 he joined Western National as an actuary. Kevin worked his way up through the ranks, becoming vice president and chief actuary in 2008.

Over the years, Mr. Christy has served his industry as a board member of the MJUA (Minnesota Joint Underwriters Association), 2005 – 2013; as a member of the ISO (Insurance Services Office) Personal Lines Actuarial Panel, 2007 – 2012, as a member of the ISO Actuarial Panel 2012 – Present and as a member of various Casualty Actuarial Society Committees.

He is a Fellow of the Casualty Actuarial Society (FCAS) a member of the American Academy of Actuaries (MAAA), and a Chartered Property & Casualty Underwriter (CPCU).

An avid golfer and reader, Kevin enjoys traveling and remains active as devoted supporter of his alma mater's football, hockey and basketball teams.

He makes his home in Eden Prairie, MN with his wife, Kerrie.



## **BIOGRAPHY OF ANDREW J. DOONAN**

### **SENIOR ACCOUNT EXECUTIVE, ZURICH INSURANCE GROUP**

A native of the Twin Cities, Andrew J. Doonan graduated with a Bachelors of Science degree from Drake University in Des Moines, Iowa where he earned a double major in Insurance and Marketing.

Andrew started his underwriting career in 1996 with The Hartford as a commercial lines underwriter. He also spent seven years with Chubb Insurance and has been in Zurich's construction department for the last seven years as a casualty underwriter.

Andrew enjoys his Minnesota summers by golfing and fishing in the Land of 10,000 Lakes. He currently resides in Edina, MN.



## **BIOGRAPHY OF KEVIN S. GREGERSON**

### **DIRECTOR, NEGOTIATED WORKERS' COMPENSATION PROGRAMS WILSON-MCSHANE CORPORATION**

A native of Minnesota, Kevin S. Gregerson earned a Bachelor of Arts in Counseling Psychology from Metropolitan State University, St. Paul, MN (1981).

In 1989, he joined the Minnesota Department of Labor and Industry as a dispute resolution specialist in the Administrative Conferences Section, a position he held until his 1993 promotion to vocational rehabilitation policy analyst. In 1995, Kevin was named Director of the Department's Negotiated Workers' Compensation programs.

Also, while at the Department, he served a four-year term as the executive membership secretary for a public employee union (MAPE- Minnesota Association of Professional Employees), where he was involved in grievance resolution, contract negotiations and membership services.

In 1997, Kevin joined Wilson-McShane Corporation – a plan administrator providing services to over 70 Taft-Hartley trust funds with offices in several states – to develop a negotiated workers' compensation program for Minnesota's construction industry.

Kevin is an avid road bicyclist, backpacker and Nordic ski racer. He makes his home in Edina, MN.



## **BIOGRAPHY OF KEITH D. KRUEGER**

### **VICE PRESIDENT RTW**

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 products. Keith currently has the role of vice president of underwriting WC and Operations for RTW.

Mr. Krueger 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 PAUL D. LARSON**

### **P&C PRODUCT ANALYST FEDERATED INSURANCE**

A native of Farmington, MN, Paul Larson holds a masters degree in Counseling and Student Personnel from Mankato State University (1993).

After holding a position in college student affairs, Paul began his career with Federated Insurance. For the past 17 years, he has served in various positions including Commercial Underwriter, Risk Analyst, and District Underwriting Manager as he rose to his current position of P&C Product Analyst.

In addition to his professional career, Paul has served as Deacon at Grace Baptist Church (1995-present), as an Awana Leader/Commander (1997-present) and as an adult Bible teacher (1994-present).

He makes his home in Owatonna, MN with his wife, Wendy, and their four children. Paul enjoys playing and coaching basketball, as well as watching his children participate in sports.





## **BIOGRAPHY OF MICHAEL D. LEVY**

### **BRANCH MANAGER AIG**

A native of Philadelphia, PA, Michael Levy is a 1997 graduate of Marquette University, Milwaukee, WI (Criminology and Law Studies). Upon graduation, he joined Wausau Insurance Company, Wausau, WI, as a liability claim examiner.

In 1999, he joined the middle market practice of Marsh USA Inc., then later worked in Marsh's environmental practice.

In 2006, Mike joined AIG as a senior business development manager and over the years worked his way up to his current position as branch manager.

Mike is a sports enthusiast who especially enjoys running and playing basketball. He and his wife, Melissa, make their home in Edina, MN, with their children, 2 girls and a boy.



## **BIOGRAPHY OF WES MATTSFIELD**

### **PRESIDENT, COMMERCIAL LINES RAM MUTUAL INSURANCE COMPANY**

A native of Hutchinson, MN, Wes Mattsfield served as board member, vice president and president of the Woodland Mutual Insurance Company (1990-2008).

Concurrently, he served as a parent member of: Northern Lights Special Education Cooperative (1991-1995); Governor's Interagency Coordinating Council on Early Childhood Intervention (also as co-chair and chair, 1995-2003); Minnesota Self-Assessment Process (1998-2000); and The Duluth Region Care Center Board of Directors (also as vice president and president 2007-2014).

Wes enjoys cooking, gardening, hunting and fishing.

He makes his home in Esko, MN with his son, Lucas.



## **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 master's degree in business administration from Drake University (1987, 1988) before joining American Family Insurance (West Des Moines, IA office) in 1989.

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

In 1996, Mr. Preslaski returned to West Des Moines, IA, as marketing representative. By 1999, he was promoted to underwriting supervisor, becoming underwriting manager in 2000.

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 Hugo, 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, the Minnesota Unemployment Insurance Advisory Council and the Minnesota Workers' Compensation Advisory Council. Mr. Thaden is a nationally recognized health care speaker and for 12 years served as the management co-chair of the Labor/Management Health Care Coalition of the Upper Midwest.

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 Vice President of the Hennepin County 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.



## **BIOGRAPHY OF MARY WACHHOLZ**

### **SECOND VICE PRESIDENT WORKERS COMPENSATION UNDERWRITING & PRODUCT TRAVELERS INSURANCE COMPANIES**

A native of Minnesota, Mary Wachholz earned her Bachelor of Arts degree from the University of Minnesota. She began her insurance career as a Commercial Underwriter for SAFECO Insurance in Schaumburg, Illinois. She advanced through various underwriting positions including Chicago Branch Commercial Underwriting Manager and Northeast Regional Workers Compensation Manager.

In 1994, she joined Northbrook Property and Casualty Insurance Company in South Barrington, Illinois, becoming the Home Office Workers Compensation Manager.

Mary returned to Minnesota in 1997 joining the St. Paul Companies where she held various Home Office Workers Compensation Underwriting positions. She is currently a Second Vice President, Workers Compensation underwriting & product for Travelers Insurance Companies. She holds the CPCU designation.

An avid reader, she also enjoys yoga, antiquing, and kayaking. She makes her home in Woodbury, MN, with her husband, Wayne.



## Our Dedicated Staff



## **MWCIA MANAGEMENT TEAM**

Sue Levey, Director, Information Technology

Brandon Miller, Executive Vice President

Bruce Tollefson, President

Kathleen Peterson, Vice President, Operations, Treasurer and Secretary

Craig Anderson, Vice President, Actuarial Services



## MWCIA MEMBER & CUSTOMER SERVICES

**Staff:** Jennifer Glywasky, Glenn Colby, Belinda Seitzer, Jeff Kvam (supervisor), Caroline Timmerman, Melodie LaChapelle and Sue Grover

### 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.





## MWCIA UNIT STATISTICAL/EXPERIENCE RATING

**Staff:** Jane Payne, Jennifer Lapke, Ora Lowery (supervisor), Cindy Westphal and Letha Kuehn (not pictured)

### 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.



## MWCIA 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.



## **MWCIA DATA QUALITY**

**Staff:** Pam Flaten (manager)

### **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.



## MWCIA ADMINISTRATIVE SERVICES

**Staff:** Gretchen Steinwall, Leann Hayes (manager), Linda Monson, Phyllis Rence and Karen Ose (not pictured)

### 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.
- 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.



## MWCIA ELECTRONIC DATA

### MAIN FUNCTIONS

**Staff:** Jody Hetrick, Kim LaHoud (supervisor) and Penny Lord

### MAIN FUNCTIONS

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



## MWCIA ASSIGNED RISK

**Staff:** Kim Eckhart , Jane Payne (supervisor), Gayle Dussling and Vicki Evenson

### Main Functions

- Processes Assigned Risk applications including the calculation of premium quotes.
- Responds to inquiries on Assigned Risk Application from employers, agents and other interested parties.



## MWCIA INFORMATION TECHNOLOGY

**Staff:** Debbie Peterson, Ailyna Khath, Tom Goodrich, Muhammad Kashif, Marc Coleman, Sue Levey (director), Deb Ronald, Scott Gatzke, Deanne Reese, Pat Riley, Angeli Lintag and Savitha Venkateshaiah (not pictured)

### 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





## ANNUAL Luncheon





## ANNUAL Luncheon

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## ANNUAL Golf Outing





## ANNUAL Golf Outing

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