



Minnesota Workers' Compensation  
Insurers Association, Inc.  
7701 France Avenue South ? Suite 450  
Minneapolis, MN 55435-3200

January 6, 2000

**ALL ASSOCIATION MEMBERS**

Circular Letter No. 00 – 1336

**RE: 2001 Minnesota Contractors Premium Adjustment Program - MCPAP**

It's that time of year when Minnesota contractors are given an opportunity to apply for an additional premium credit through our office. In the past, MWCIA staff prepared and mailed approximately 15,000 MCPAP application packets annually to potentially eligible employers. In addition, reminder postcards were sent to any employer who had received the original mailing if they had not responded midway through the enrollment period. MWCIA staff learned through this two-mailing process that the postcards received the most attention. MWCIA staff has, therefore, designed a new postcard to announce the commencement of the next enrollment period and to invite all potentially eligible Minnesota contractors to participate in the 2001 Minnesota Contractors Premium Adjustment Program. In addition to improving the application process, the new postcard will substantially reduce the overall expense to our membership. The new postcards are larger and contain red highlighting to further enhance their visibility. Application packets will be mailed to each employer who sends back the attached "application requested" postcard from this mailing. Applications will also be available on our website, or by faxing or calling our office. Please note that employers who had construction classifications on their 1999 policies without payroll exposure assigned to these classifications will not receive an enrollment invitation. These employers may still be eligible to apply, however, if their premium audit indicates payroll for at least one construction code during calendar year 1999 and they meet the hourly wage eligibility requirement. Please note that the hourly wage eligibility for participation in the 2001 program has been increased to \$16.00 and that applications must be postmarked prior to the April 1, 2000 deadline to avoid incurring a late processing penalty factor.

Local underwriting offices of the insurance companies will be provided with a list of all employers to which a MCPAP announcement postcard has been mailed. This list should contain all employers for each carrier who had at least one contracting code with payroll exposure in our database during the 1999 policy year. As these lists are only as accurate as the information that has been supplied to us, we cannot guarantee 100% accuracy.

Following is the proposed implementation schedule for the 2001 MCPAP:

<b><u>Date of Action</u></b>	<b><u>Action to be taken</u></b>
January 14, 2000	Mail announcement postcards
April 1, 2000	Enrollment period deadline
August 15, 2000	Begin calculating 2001 MCPAP credits
January 1, 2001	Commencement of the use of Year 2001 MCPAP credits for new and renewal policies.

If you have any questions concerning the Minnesota Contractors Premium Adjustment Program, please feel free to give one of our underwriters a call or you may email your questions to [underwriting@mwcia.org](mailto:underwriting@mwcia.org).

Very truly yours,

M. A. Johnson  
Director of Underwriting Services