



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

October 16, 2007

**ALL ASSOCIATION MEMBERS**

Circular Letter No. 07-1521

**RE: Amended Minnesota Statute 60A.351**

The Minnesota Department of Commerce has approved the above filing to become effective 12:01 a.m., October 9, 2007.

During the 2007 Legislative session, the Legislature amended Minnesota Statute 60A.351, Renewal of Insurance Policy with Altered Rates, effective August 1, 2007. The revision that the Legislature passed was to change the number of days notice insurers need to give the policyholder when renewing a commercial liability and/or property policy at less favorable terms from 60 to **30 days**. It is acceptable if an insurer continues to give 60 days notice.

Minnesota Statute 60A.351 now reads as follows:

"If an insurance company licensed to do business in this state offers or purports to offer to renew any commercial liability and/or property insurance policy at less favorable terms as to the dollar amount of coverage or deductibles, higher rates, and/or higher rating plan, the new terms, the new rates and/or rating plan may take effect on the renewal date of the policy if the insurer has sent to the policyholder notice of the new terms, new rates and/or rating plan at least **30 days** prior to the expiration date. If the insurer has not so notified the policyholder, the policyholder may elect to cancel the renewal policy within the 60-day period after receipt of the notice. Earned premium for the period of coverage, if any, shall be calculated pro rata upon the prior rate. This section does not apply to ocean marine insurance, accident and health insurance, reinsurance, and coverage under the federal Terrorism Risk Insurance Act.

This section does not apply if the change relates to guide "a" rates or excess rates also known as 'consent to rates' or if there has been any change in the risk insured."

Exhibit I illustrates the changes necessary to the *Minnesota Basic Manual* to implement this revision. Exhibits II, III, IV and V illustrate the necessary changes to the *Minnesota Forms Manual* to implement this revision.

As you review the exhibits, please note that strikethroughs indicate deleted text while underlining indicates new or added text.

If you have any questions regarding this filing item direct them to MWCIA's Member & Customer Services staff at 952.897.1737 (Option 1) or via email at [info@mwcia.org](mailto:info@mwcia.org).

**A NOTICE TO MEMBERSHIP:**

MWCIA would like to remind our members that no materials referenced in this Circular Letter are required to be independently filed with the Minnesota Department of Commerce.

Exhibit I

Minnesota Basic Manual

Rule 3

Effective August XX, 2007

CURRENT PHRASEOLOGY:	PROPOSED PHRASEOLOGY:
<b>B. THREE-YEAR FIXED-RATE POLICY OPTION</b>	<b>SAME</b>
<b>1. Explanation</b>	<b>SAME</b>
a. If the estimated premium is less than the premium eligibility amount for experience rating, a policy may be issued for a period of three years at a fixed rate, provided the risk is not otherwise eligible for the <b><i>Experience Rating Plan</i></b> on the effective date of the policy.	<b>SAME</b>
b. If a policy is issued as a Three-Year Fixed-Rate Policy, it must be designated on the Information Page of the policy.	<b>SAME</b>
c. This rule is not applicable in the State of Minnesota. Modification of rates at less favorable terms without <del>60</del> days notice prior to the normal renewal date is restricted under Minnesota Statute 60A.351.	c. This rule is not applicable in the State of Minnesota. Modification of rates at less favorable terms without <u>30</u> days notice prior to the normal renewal date is restricted under Minnesota Statute 60A.351.

EXHIBIT II

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 22 06 00

First Reprint

Effective January 1, 2002

MINNESOTA POLICY CHANGE ENDORSEMENT

NAMED INSURED AND MAILING ADDRESS

AGENCY AND MAILING ADDRESS

Empty boxes for named insured and agency mailing addresses.

Policy No.:

Policy Effective:

Endorsements Changed:

- Checkboxes for various endorsement changes including Insured's Name, Policy Number, Effective Date, Expiration Date, Mailing Address, Experience Modification, Producer's Name, Change in Workplace, Legal Status, Item 3.A-D, Item 4.\* Class, Rate, Other, Interim Adjustment, Carrier Servicing Office, Risk ID Number, and Carrier Number.

Description of Change

Empty box for description of change.

\*Item 4. Class, Rate, Other:

Table with 5 columns: Classifications, Code No., Premium Basis Total Estimated Annual Remuneration, Rate per \$100 of Remuneration, Estimated Annual Premium.

Total Estimated Annual Premium \$

Minimum Premium \$

Deposit Premium \$

Change Effective date:

Consideration for Change, if any:

Countersigned by: \_\_\_\_\_

Notes:

- Notes regarding policy renewal terms, use of "Minnesota" in the endorsement title, and use of the endorsement forms.

**First Reprint**

**Effective August XX, 2007**

**MINNESOTA POLICY INFORMATION PAGE ENDORSEMENT  
CLASS, RATE, OTHER CHANGE**

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

This endorsement effective on \_\_\_\_\_ at 12:01 a.m. standard time

For attachment to Policy No. \_\_\_\_\_

NCCI Carrier Code \_\_\_\_\_ Issued to \_\_\_\_\_

Policy Effective Date: \_\_\_\_\_ Policy Expiration Date: \_\_\_\_\_

Premium \_\_\_\_\_ (If any)

\_\_\_\_\_  
Authorized Representative

Item 4. Class, Rate, Other:

Classifications	Code No.	Premium Basis Total Estimated Annual Remuneration	Rate per \$100 of Remuneration	Estimated Annual Premium

Total Estimated Annual Premium \$

Minimum Premium \$

Deposit Premium \$

Change Effective Date:

Consideration for Change, if any:

Pursuant to Minn. Stat. § 60A.351, a policy may not be renewed at less favorable terms unless notice of new terms is given at least **6030** days prior to the expiration date.

All other terms and conditions of this policy remain unchanged.

**Notes:**

1. The use of "Minnesota" in the endorsement title is optional.
2. This endorsement need not be used if the Insured elects to use the Policy Change Endorsement WC 22 06 00.

First Reprint

Effective August XX, 2007

MINNESOTA POLICY INFORMATION PAGE ENDORSEMENT
INTERIM ADJUSTMENT OF PREMIUM

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

This endorsement effective on \_\_\_\_\_ at 12:01 a.m. standard time

For attachment to Policy No. \_\_\_\_\_

NCCI Carrier Code \_\_\_\_\_ Issued to \_\_\_\_\_

Policy Effective Date: \_\_\_\_\_ Policy Expiration Date: \_\_\_\_\_

Premium \_\_\_\_\_ (If any)

Authorized Representative

Interim Adjustment of Premium:

Table with 5 columns: Classifications, Code No., Premium Basis Total Estimated Annual Remuneration, Rate per \$100 of Remuneration, Estimated Annual Premium

Total Estimated Annual Premium \$

Minimum Premium \$

Deposit Premium \$

Change Effective Date:

Consideration for Change, if any:

Pursuant to Minn. Stat. § 60A.351, a policy may not be renewed at less favorable terms unless notice of new terms is given at least 6030 days prior to the expiration date.

All other terms and conditions of this policy remain unchanged.

Notes:

- 1. The use of "Minnesota" in the endorsement title is optional.
2. This endorsement need not be used if the Insured elects to use the Policy Change Endorsement WC 22 06 00.

## EXHIBIT V

### INDEX

#### MINNESOTA FORMS MANUAL

The following forms and endorsements in this Minnesota Forms Manual have been approved by the Minnesota Commerce Department and are available for use in Minnesota.

- Introduction
- Workers' Compensation and Employers Liability Insurance Policy Rules
- WC 00 00 00 A Workers Compensation and Employers Liability Insurance Policy
- WC 00 01 01 A Defense Base Act Coverage Endorsement
- WC 00 01 04 A Federal Employers' Liability Act Coverage Endorsement
- WC 00 01 06 A Longshore and Harbor Workers' Compensation Act Coverage Endt.
- WC 00 01 08 A Nonappropriated Fund Instrumentalities Act Coverage Endorsement
- WC 00 01 09 A Outer Continental Shelf Lands Act Coverage Endorsement
- WC 00 01 11 Migrant and Seasonal Agricultural Worker Protection Act Coverage Endorsement
- WC 00 01 13 Terrorism Risk Insurance Extension Act Endorsement
- WC 00 02 01 A Maritime Coverage Endorsement
- WC 00 02 03 Voluntary Compensation Maritime Coverage Endorsement
- WC 00 02 04 Limited Maritime Coverage Endorsement
- WC 00 03 01 A Alternate Employer Endorsement
- WC 00 03 02 Designated Workplaces Exclusion Endorsement
- WC 00 03 03 C Employers Liability Coverage Endorsement
- WC 00 03 04 Insurance Company as Insured Endorsement
- WC 00 03 05 Joint Venture as Insured Endorsement
- WC 00 03 09 B Rural Utilities Service Endorsement
- WC 00 03 10 Sole Proprietors, Partners, Officers and Others Coverage Endorsement
- WC 00 03 11 A Voluntary Compensation and Employers Liability Coverage Endt.
- WC 00 03 13 Waiver of Our Right to Recover from Others Endorsement
- WC 00 04 01 A Aircraft Premium Endorsement
- WC 00 04 03 Experience Rating Modification Factor Endorsement
- WC 00 04 05 Policy Period Endorsement
- WC 00 04 06 A Premium Discount Endorsement

- WC 00 04 09 Premium Determination Endorsement — Former Self-Insurers 1
- WC 00 04 10 Premium Determination Endorsement — Former Self-Insurers 2
- WC 00 04 12 Contingent Experience Rating Modification Factor Endorsement
- WC 00 04 14 Notification of Change in Ownership Endorsement
- WC 00 04 19 Premium Due Date Endorsement
- Policyholder Disclosure Notice of Terrorism Insurance Coverage
- WC 00 04 22 Foreign Terrorism Premium Endorsement
- WC 00 05 03 A Retrospective Premium Endorsement — One Year Plan
- WC 00 05 04 A Retrospective Premium Endorsement — Three Year Plan
- WC 00 05 05 A Retrospective Premium Endorsement — Long-Term Construction Project
- WC 00 05 08 Retrospective Premium Endorsement Aviation Exclusion
- WC 00 05 09 A Retrospective Premium Endorsement Changes
- WC 00 05 10 Retrospective Premium Endorsement Non-Ratable Catastrophe Element or Surcharge
- WC 00 05 11 Retrospective Premium Endorsement Short Form
- WC 00 05 12 A Retrospective Premium Endorsement One Year Plan — Multiple Lines
- WC 00 05 13 A Retrospective Premium Endorsement Three Year Plan — Multiple Lines
- WC 00 05 14 A Retrospective Premium Endorsement Long Term Construction Project — Multiple Lines
- WC 00 05 15 Retrospective Premium Endorsement Flexibility Options
- WC 00 06 03 Benefits Deductible Endorsement
- WC 89 06 09 B Policy Termination/Cancelation/Reinstatement Notice
- WC 22 00 00 A Minnesota Amendatory Endorsement
- WC 22 00 01 Information Page
- WC 22 03 01 Minnesota Compliance with Applicable Trade Sanction Laws
- WC 22 03 02 Minnesota Independent Contractors Coverage Endorsement
- WC 22 03 03 Minnesota Third Degree of Kindred Family Member Exclusion Endt.
- WC 22 03 04 Minnesota Employee Leasing Endorsement
- WC 22 03 05 Minnesota Exclusion of Coverage for Leased Employees Endorsement
- WC 22 04 01 Minnesota Contracting Premium Adjustment Program Endorsement
- WC 22 04 02 Minnesota Anniversary Rating Date Endorsement
- WC 22 06 00 Minnesota Policy Change Endorsement

- WC 22 06 01 D Minnesota Cancellation and Nonrenewal Endorsement
- WC 22 06 02 Minnesota Policy Information Page Endorsement Insured's Name
- WC 22 06 03 Minnesota Policy Information Page Endorsement Policy Number
- WC 22 06 04 Minnesota Policy Information Page Endorsement Effective Date
- WC 22 06 05 Minnesota Policy Information Page Endorsement Expiration Date
- WC 22 06 06 Minnesota Policy Information Page Endorsement —  
Insured's Mailing Address
- WC 22 06 07 Minnesota Policy Information Page Endorsement —  
Experience Modification
- WC 22 06 08 Minnesota Policy Information Page Endorsement Producer's Name
- WC 22 06 09 Minnesota Policy Information Page Endorsement —  
Change in Workplace of Insured
- WC 22 06 10 Minnesota Policy Information Page Endorsement—  
Insured's Legal Status
- WC 22 06 11 Minnesota Policy Information Page Endorsement Add States
- WC 22 06 12 Minnesota Policy Information Page Endorsement Employer Limits
- WC 22 06 13 Minnesota Policy Information Page Endorsement Change in State
- WC 22 06 14 Minnesota Policy Information Page Endorsement —  
Endorsement Numbers
- **WC 22 06 15 A** Minnesota Policy Information Page Endorsement —  
Class, Rate, Other Change
- **WC 22 06 16 A** Minnesota Policy Information Page Endorsement —  
Interim Adjustment of Premium
- WC 22 06 17 Minnesota Policy Information Page Endorsement —  
Carrier Servicing Office
- WC 22 06 18 Minnesota Policy Information Page Endorsement —  
Interstate/Intrastate Risk ID Number
- WC 22 06 19 Minnesota Policy Information Page Endorsement Carrier Number
- WC 22 06 20 Minnesota Entity Address Schedule