

Special Attention: Policy Issuing Office

November 19, 2008

ALL ASSOCIATION MEMBERS

Circular Letter 08-1543

RE: Paper Submission of Cancellations and Reinstatements – Handling Charge

Minnesota Workers' Compensation Insurers Association, Inc. (MWCIA) has been accepting the electronic submission of policy cancellations and reinstatements since 2003. Today, we receive over 80% of original policy cancellation and reinstatement submissions electronically. Electronic submission of policy data has several benefits to the insurance industry, including increased data quality and improved timeliness of submissions as well as cost savings realized through the elimination of manual processing and postage.

At the October 23, 2008 Board of Director's meeting, our Board approved MWCIA staff's recommendation to implement a handling charge of \$12.00 for each policy cancellation and/or reinstatement notice that is submitted in a paper format for MWCIA to process. This handling charge will help offset the expense to our membership of manually handling paper submissions from individual member companies who make a business decision to continue reporting data on paper.

Implementation of the new \$12.00 handling charge for all policy cancellation and reinstatement data that is submitted to MWCIA in a paper format will begin on *July 1, 2009*.

Instructions regarding the electronic processing of cancellations and reinstatements are located on MWCIA's website at <u>www.mwcia.org</u> under Carrier Electronic Reporting Requirements/WCPOLS Testing. Carriers must receive prior approval before they can begin submitting electronic cancellations and/or reinstatements to MWCIA to process for Minnesota.

If your company would like to begin testing electronic processing of cancellations and reinstatements with MWCIA or if you have any questions regarding this matter, please contact Kim LaHoud in our Electronic Policy Processing Department at 952.897.6412 or by email to <u>kim.lahoud@mwcia.org</u>.