

January 27, 2009

ALL ASSOCIATION MEMBERS

Circular Letter 09-1547

RE: Firefighters Codes 7706 and 7708 Filing

The Minnesota Department of Commerce has approved the above captioned filing to become effective 12:01 a.m., April 1, 2009, for new and renewal business.

The purpose of the above filing is to amend the ***Minnesota Basic Manual*** by clarifying how the premium should be calculated for firefighting codes 7706 and 7708.

This filing eliminates all references to adding an additional minimum premium or flat charge on top of the total premium. There are no other codes where premium is calculated in the same manner as firefighters. The premium calculated for volunteer or paid and volunteer fire departments will now be consistent with all other codes (payroll/population divided by 100 X the rate = the premium).

For those fire departments which employ both paid and volunteer firefighters, the premium will be calculated separately between paid and volunteer and then combined to arrive at the final premium.

These codes will be subject to the same minimum premium requirements as all other codes.

Exhibit I illustrates the changes necessary to the ***Minnesota Basic Manual*** to implement the revisions needed for this filing.

Any questions you may have about this filing should be directed to one of MWCIA's Member & Customer Services' staff at 952.897.1737 (Option 1) or via email at info@mwcia.org.

EXHIBIT I

BASIC MANUAL

PART TWO --- CLASSIFICATIONS

Effective April 1, 2009

CURRENT PHRASEOLOGY:		PROPOSED PHRASEOLOGY:
CODE NO.	FIREFIGHTERS & DRIVERS	FIREFIGHTERS & DRIVERS
7706	Full-Time. See Classification Interpretations Section.	SAME
7708	Volunteer. Cites, towns and villages having volunteer fire departments shall be charged a flat premium, the flat premium to be based upon the rate for Code 7708 multiplied by the nearest hundred of population for the area served according to the latest national census. In areas where the last census figures are unrealistic, the population used in determining premium will be on a negotiable basis between the municipality and the carrier. Paid firefighters will be charged the rate for Code 7706 subject to an applicable minimum premium.	SAME

EXHIBIT I

BASIC MANUAL

PART TWO --- CLASSIFICATIONS

CURRENT PHRASEOLOGY:		PROPOSED PHRASEOLOGY:
	For the purpose of determining the premium for Code 7708 in those cases where the fire department includes both paid & volunteer firefighters, the population figure for the municipality shall be reduced fifteen (15) hundred for each full time paid firefighter employed.	SAME
	If the fire department includes both paid & volunteer firefighters, the premium for the risk shall be the sum of the premiums computed separately for the volunteer & paid firefighters as indicated above. The minimum premium for the paid firefighters shall be charged in addition to the flat premium charged for the volunteer firefighters.	If the fire department includes both paid & volunteer firefighters, the premium for the risk shall be the sum of the premiums computed separately for the volunteer & paid firefighters as indicated above.

EXHIBIT I

BASIC MANUAL

PART TWO --- CLASSIFICATIONS

CURRENT PHRASEOLOGY:		PROPOSED PHRASEOLOGY:
	The minimum premium for paid firefighters or the flat premium for volunteer firefighters shall be in addition to the regular policy minimum.	NONE
	Includes volunteer firefighters who also perform emergency medical services. Separately rate employees who perform only EMS duties and no firefighting to Code 7705. <i>Refer to Ambulance Service & Drivers for additional information on classifying EMS employees.</i>	SAME
	Separately rate non-volunteer firefighters & drivers to Code 7706	SAME