



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

January 30, 2014

ALL ASSOCIATION MEMBERS

Circular Letter 14-1648

RE: 2013 Test Audit Summary Report

Attached are the summary sheets showing the results of the 2013 Test Audit Program by the Minnesota Workers' Compensation Insurers Association, Inc. (MWCIA). For your convenience, the report lists all test audits completed for the voluntary market between January 1, 2013, and December 31, 2013, and is sorted by carrier ID.

If you have any questions regarding this report, please contact Jeff Kvam, Underwriting Supervisor, at 952-897-6414 or by emailing jeff.kvam@mwcia.org.

MWCIA

Test Audit Program



Voluntary Market

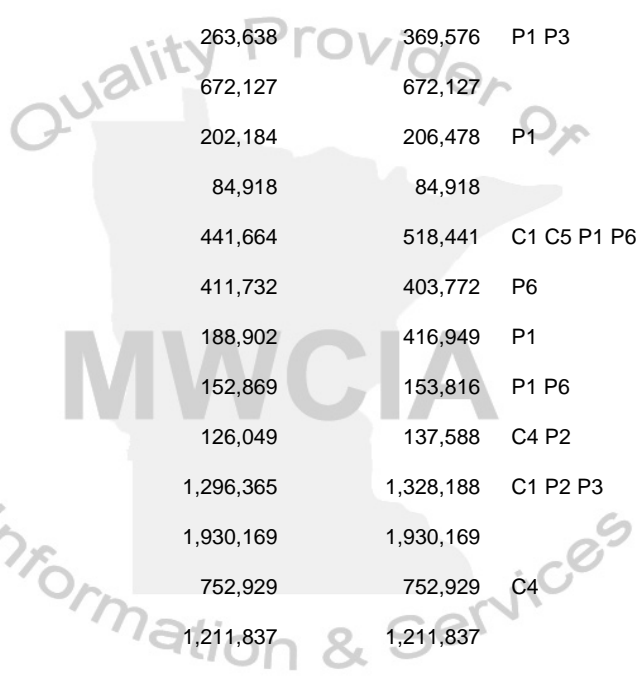
Test Audits Completed January 1, 2013 - December 31, 2013

Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 1	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	0434159	10243	1,916,169	1,917,004	C1 P4	-835
	0064432	10960	946,350	948,048	P6	-1,698
	2154820	10960	725,391	651,100	P6	74,291
	2293129	10960	558,293	617,000	P1	-58,707
	2406306	10960	322,984	325,147	P3 P6	-2,163
	3137233	10960	331,501	252,717	C1 P1 P3 P6	78,784
	0059307	11223	480,816	480,816		0
	3170665	11223	263,638	369,576	P1 P3	-105,938
	1997599	11452	672,127	672,127		0
	1951130	12173	202,184	206,478	P1	-4,294
	0742090	12173	84,918	84,918		0
	2332000	12432	441,664	518,441	C1 C5 P1 P6	-76,777
	2768984	12610	411,732	403,772	P6	7,960
	0616800	12610	188,902	416,949	P1	-228,047
	3019616	13668	152,869	153,816	P1 P6	-947
	0002445	13765	126,049	137,588	C4 P2	-11,539
	0409219	13765	1,296,365	1,328,188	C1 P2 P3	-31,823
	1165577	13765	1,930,169	1,930,169		0
	2050641	13765	752,929	752,929	C4	0
	2354691	13765	1,211,837	1,211,837		0
	2797879	13765	212,070	162,881	P6	49,189
	3159314	13765	386,706	386,706		0
	3160543	13765	518,604	513,676	P5	4,928
	3173466	13765	209,524	212,677	C4 P5 P6	-3,153
	3236400	13765	237,160	233,503	P2 P6	3,657
	3242857	13765	220,977	220,977		0
	3242870	13765	632,884	578,333	C1 P6	54,551
	0226769	13765	1,718,884	1,718,884		0
	0899135	13765	1,542,198	1,551,097	C1 C4 P3	-8,899
	1991841	13765	728,449	720,103	C2 P6	8,346
	3193580	13765	455,086	441,889	P6	13,197

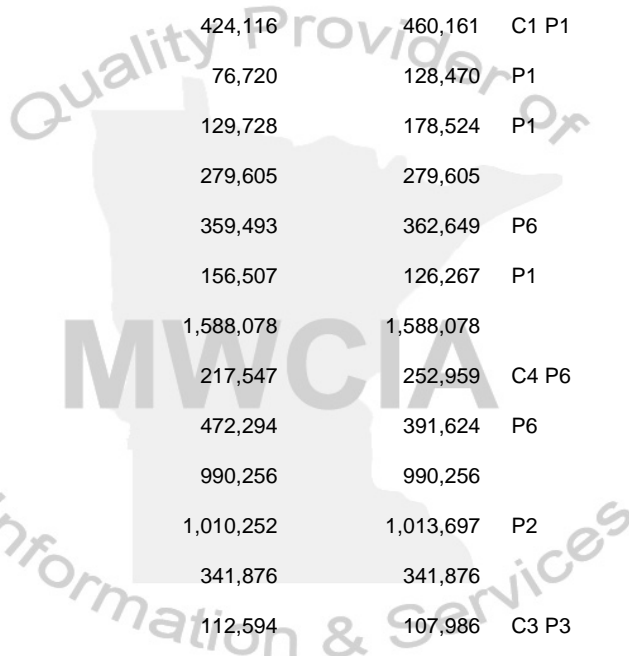


Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 1	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3196475	13765	1,522,030	1,663,959	P6	-141,929
	3144436	15245	1,528,762	1,532,134	P6	-3,372
	1662376	15245	262,275	247,516	P3	14,759
	1758098	15555	315,256	208,000	P6	107,256
	3138886	15555	179,788	148,312	P6	31,476
	0300110	15555	498,893	498,893		0
	3181782	15571	179,472	179,472	C5	0
	2546833	15571	424,116	460,161	C1 P1	-36,045
	2264200	15571	76,720	128,470	P1	-51,750
	2177358	15571	129,728	178,524	P1	-48,796
	0615153	15571	279,605	279,605		0
	3138268	15865	359,493	362,649	P6	-3,156
	0620521	15865	156,507	126,267	P1	30,240
	0389919	15865	1,588,078	1,588,078		0
	0271543	15865	217,547	252,959	C4 P6	-35,412
	0258547	15865	472,294	391,624	P6	80,670
	0118729	15865	990,256	990,256		0
	0096210	15865	1,010,252	1,013,697	P2	-3,445
	0007641	15865	341,876	341,876		0
	0004030	15865	112,594	107,986	C3 P3	4,608
	3225143	15865	459,255	459,255	C5	0
	3224497	15865	201,009	157,954	P6	43,055
	3195572	15865	399,840	399,840		0
	3192843	15865	54,966	54,966		0
	3182551	15865	109,289	109,289		0
	2052806	15865	139,884	162,726	P1 P2	-22,842
	1732730	15865	106,239	106,239		0
	1457071	15865	1,125,149	1,146,159	P1 P2	-21,010
	1100580	16586	1,146,595	1,149,320	C5 P2	-2,725
	3028704	17426	858,250	1,040,388	C5 P6	-182,138
	0101605	17426	641,237	621,901	P6	19,336

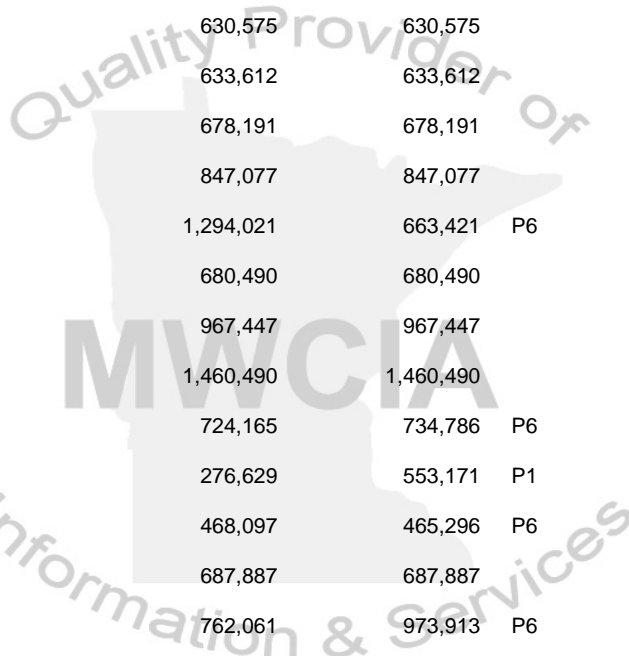


Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 1	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	2087324	17426	825,808	825,808		0
	2358395	17426	908,985	908,985		0
	2413264	17426	501,559	501,559		0
	3116997	17426	762,509	762,509		0
	3136327	17426	525,324	525,324		0
	3136705	17426	678,561	678,561		0
	1340964	17426	653,133	653,133		0
	0432610	17426	630,575	630,575		0
	1802844	17426	633,612	633,612		0
	3230610	17426	678,191	678,191		0
	3217653	17426	847,077	847,077		0
	3205167	17426	1,294,021	663,421	P6	630,600
	3200474	17426	680,490	680,490		0
	0887234	17469	967,447	967,447		0
	2289830	17469	1,460,490	1,460,490		0
	2248794	17469	724,165	734,786	P6	-10,621
	1621785	17965	276,629	553,171	P1	-276,542
	3138584	19968	468,097	465,296	P6	2,801
	0607746	19968	687,887	687,887		0
	1848194	19968	762,061	973,913	P6	-211,852
	0425389	27669	978,210	978,210		0
	3156012	27669	877,395	877,395		0
	2738163	27669	981,020	981,020		0
	0049883	27669	740,600	740,600		0
	3157029	29475	309,500	317,982	P1	-8,482
	0923346	29475	525,413	426,901	P1 P5	98,512
	0146501	29475	1,360,237	1,524,050	P6	-163,813
	1963252	33928	510,444	465,768	P6	44,676
	3210025	33928	234,035	286,059	P1	-52,024
	3173495	39137	1,034,663	1,034,663		0
	3159615	39137	1,464,289	1,464,289		0



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Voluntary Market

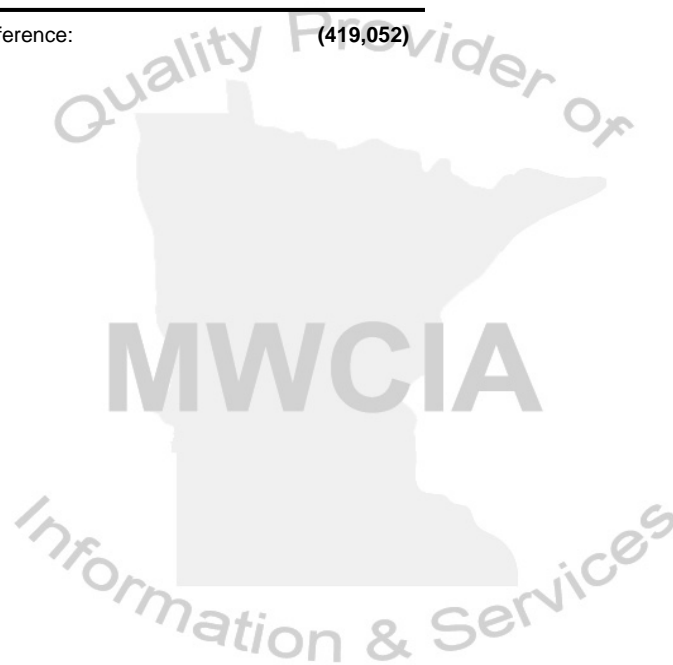
Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 1	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3199287	39137	596,127	596,127		0
	3192621	69103	882,260	882,260		0
	3482966	69103	1,615,703	1,619,664	P2	-3,961
	3370209	69103	1,162,216	1,169,425	P1 P2	-7,209

Quarterly Total Test Audit Payroll: **64,005,417**

Quarterly Total Company Audit Payroll: **64,424,469**

Quarterly Total Payroll Difference: **(419,052)**

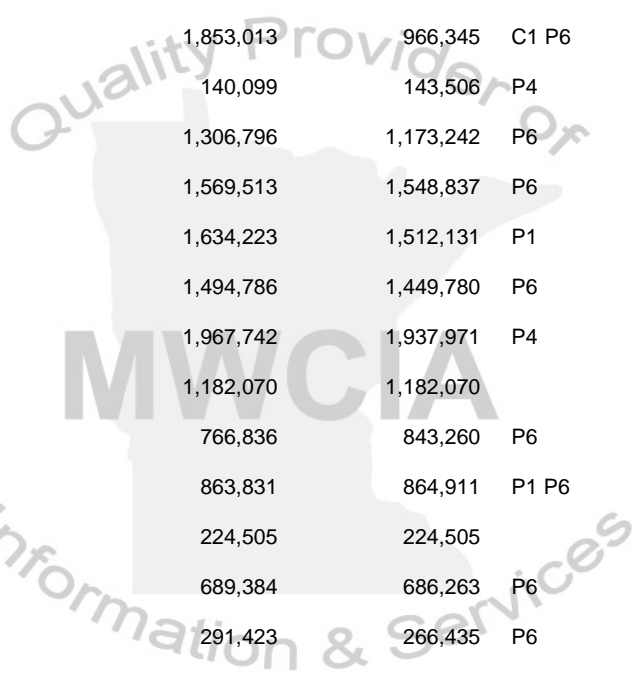


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Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 2	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	1143972	10138	1,256,915	1,257,530	P6	-615
	0672300	10448	431,959	564,539	P1 P6	-132,580
	0082830	10448	1,055,665	1,308,732	P6	-253,067
	0118087	10448	481,615	609,500	P6	-127,885
	0135526	10448	307,118	367,833	C4 P1	-60,715
	0144380	10448	280,055	257,112	P6	22,943
	0153311	10448	966,557	966,557	C4	0
	0279943	10448	1,853,013	966,345	C1 P6	886,668
	0284173	10448	140,099	143,506	P4	-3,407
	0379778	10448	1,306,796	1,173,242	P6	133,554
	0626732	10448	1,569,513	1,548,837	P6	20,676
	1708546	10448	1,634,223	1,512,131	P1	122,092
	0678538	10448	1,494,786	1,449,780	P6	45,006
	0707589	10448	1,967,742	1,937,971	P4	29,771
	0713902	10448	1,182,070	1,182,070		0
	0829374	10448	766,836	843,260	P6	-76,424
	0935670	10448	863,831	864,911	P1 P6	-1,080
	0944890	10448	224,505	224,505		0
	1074253	10448	689,384	686,263	P6	3,121
	1190580	10448	291,423	266,435	P6	24,988
	1414046	10448	1,308,953	1,309,943	P6	-990
	1461370	10448	1,299,941	1,292,580	P3 P6	7,361
	1958119	10456	384,598	369,225	P6	15,373
	0954675	11037	1,357,272	1,357,272		0
	3178618	11037	129,885	129,885		0
	1387219	11037	240,367	240,367		0
	2087669	11061	419,275	424,423	P2	-5,148
	1913298	11061	819,079	819,079		0
	1769928	11061	1,277,241	1,272,626	C5 P6	4,615
	0393460	11061	2,027,618	1,992,695	C4 P6	34,923
	0085600	11061	1,192,670	1,203,487	P3	-10,817



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Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

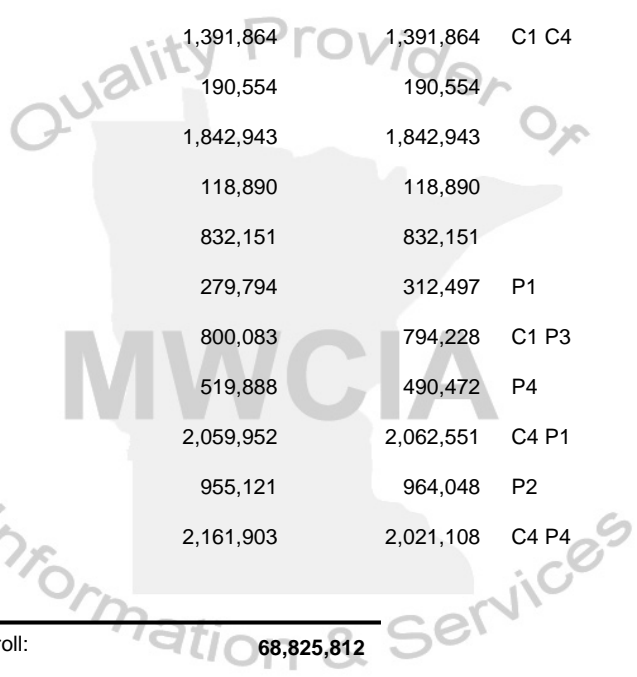
Quarter: 2	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3140397	11509	388,350	388,350		0
	0822060	12378	1,809,885	1,809,885		0
	0893528	12378	1,505,644	1,510,431	P4	-4,787
	0899267	12378	563,252	505,786	P1	57,466
	1219561	12378	448,013	491,207	P1 P4	-43,194
	2390493	12378	700,634	700,634	C4	0
	0227030	12378	1,640,262	1,653,480	P1 P5	-13,218
	2876280	12432	2,027,373	2,027,373	C4	0
	1051067	12432	701,921	701,921		0
	3165315	12440	416,112	418,400	C1 P6	-2,288
	0508446	12440	1,345,335	1,345,335		0
	0778923	12440	1,995,886	1,995,886		0
	1738160	12440	168,139	144,448	P6	23,691
	3159492	12440	927,612	924,196	C4 P6	3,416
	2473372	13080	76,992	84,992	P1	-8,000
	3203994	13765	189,639	190,444	P6	-805
	3214074	13765	226,532	245,000	P3	-18,468
	0815438	14184	562,054	562,054	C4	0
	3198694	14184	715,727	609,500	C1 P6	106,227
	3190501	14184	426,038	514,050	P6	-88,012
	3187459	14184	1,175,779	1,175,779		0
	0432598	14184	340,542	299,251	P3 P6	41,291
	0783668	14184	1,688,002	1,688,002		0
	3200833	14184	144,231	138,869	P3	5,362
	1088203	14184	362,299	362,299		0
	1762370	14184	1,060,306	1,060,306	C1	0
	1897640	14184	490,633	490,633		0
	2264102	14184	1,647,248	1,647,248		0
	2367688	14184	323,466	323,466		0
	2611686	14184	795,406	795,406		0
	3209177	15172	219,643	219,643		0

Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 2	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3057658	15172	314,607	316,435	P6	-1,828
	3233008	15172	1,720,140	1,720,140		0
	1638203	15571	161,126	180,060	P4	-18,934
	1172077	15865	75,213	75,213		0
	1271482	15865	485,471	485,471	C4	0
	2850192	15865	223,572	223,572		0
	2899124	15865	388,581	388,581	C5	0
	3175472	15865	1,391,864	1,391,864	C1 C4	0
	3340390	15865	190,554	190,554		0
	0322300	15865	1,842,943	1,842,943		0
	0694428	15865	118,890	118,890		0
	0701254	15865	832,151	832,151		0
	0808504	15865	279,794	312,497	P1	-32,703
	0996882	15865	800,083	794,228	C1 P3	5,855
	0174289	15865	519,888	490,472	P4	29,416
	0514128	33928	2,059,952	2,062,551	C4 P1	-2,599
	2460360	69103	955,121	964,048	P2	-8,927
	0099929	69103	2,161,903	2,021,108	C4 P4	140,795
Quarterly Total Test Audit Payroll:			68,825,812			
Quarterly Total Company Audit Payroll:			67,977,693			
Quarterly Total Payroll Difference:				848,119		

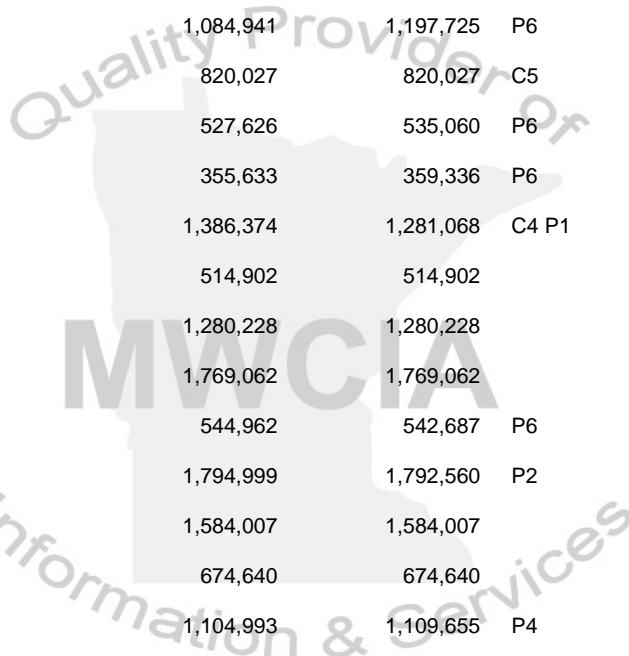


Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 3	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	0844276	10030	1,715,205	1,713,816	P2	1,389
	2030691	10030	800,994	800,994		0
	3183460	10138	1,267,162	1,261,283	P6	5,879
	3452284	10243	476,430	453,862	P1	22,568
	2312590	10243	1,899,396	1,899,396	C4	0
	0494330	10448	1,379,944	1,386,712	C5 P6	-6,768
	0382299	10448	1,485,131	1,486,414	P4	-1,283
	0363618	10448	1,084,941	1,197,725	P6	-112,784
	3459206	11037	820,027	820,027	C5	0
	3329027	11037	527,626	535,060	P6	-7,434
	3271790	11037	355,633	359,336	P6	-3,703
	0061158	11037	1,386,374	1,281,068	C4 P1	105,306
	3155054	11037	514,902	514,902		0
	0848670	11061	1,280,228	1,280,228		0
	1895010	11061	1,769,062	1,769,062		0
	1286048	11061	544,962	542,687	P6	2,275
	3194361	12238	1,794,999	1,792,560	P2	2,439
	2142996	12238	1,584,007	1,584,007		0
	3234471	12238	674,640	674,640		0
	1182021	12238	1,104,993	1,109,655	P4	-4,662
	1060910	12238	1,034,635	1,034,635		0
	2058812	12408	2,069,592	2,069,592		0
	2176815	12408	245,750	242,860	P6	2,890
	3213322	12440	714,973	714,973		0
	3077926	12440	561,132	561,132		0
	2201852	12440	1,499,782	1,511,194	P2 P6	-11,412
	1919660	12440	1,400,463	1,400,463		0
	0029220	12440	1,857,011	1,857,011		0
	0043370	12890	1,461,938	1,461,938		0
	3167579	12890	635,014	635,014		0
	0400378	13129	1,893,689	1,893,689		0

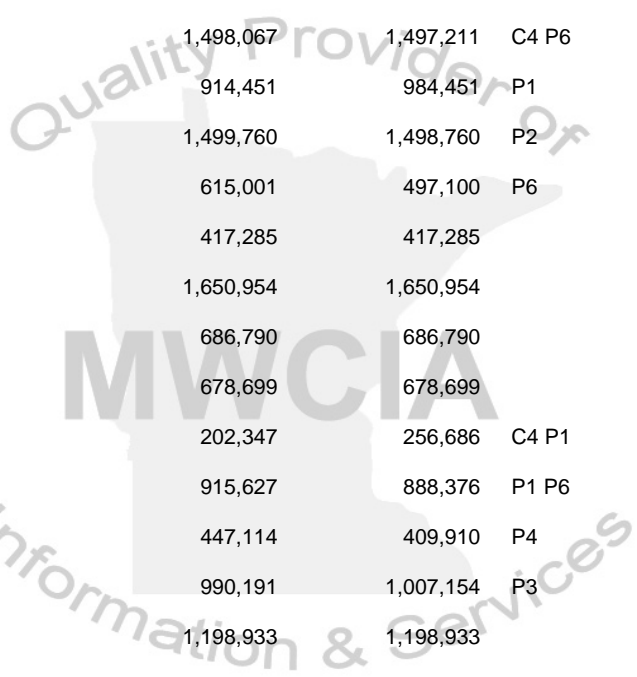


Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 3	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	0174670	13129	1,888,028	1,888,028		0
	0681792	13129	948,345	948,345		0
	0618357	14184	1,535,402	1,535,402		0
	0055921	14184	1,926,803	1,835,543	P1	91,260
	0188433	14184	343,819	223,363	P1 P6	120,456
	0237221	14184	1,758,260	1,758,260		0
	0426270	14184	116,203	116,203		0
	2018675	14184	1,498,067	1,497,211	C4 P6	856
	1754440	14184	914,451	984,451	P1	-70,000
	1063383	14184	1,499,760	1,498,760	P2	1,000
	0769703	14184	615,001	497,100	P6	117,901
	3131032	14184	417,285	417,285		0
	0566489	14184	1,650,954	1,650,954		0
	2044242	15032	686,790	686,790		0
	1099655	16144	678,699	678,699		0
	1104179	16144	202,347	256,686	C4 P1	-54,339
	3188056	16144	915,627	888,376	P1 P6	27,251
	3357524	16144	447,114	409,910	P4	37,204
	1033840	16446	990,191	1,007,154	P3	-16,963
	1150340	16446	1,198,933	1,198,933		0
	1210874	16446	1,589,405	1,588,419	P6	986
	1456032	16446	1,667,417	1,898,794	P1	-231,377
	3072894	16446	547,635	581,000	P6	-33,365
	3180293	16446	1,103,202	1,103,202		0
	3405759	16446	568,721	571,289	P1	-2,568
	0387410	16446	528,387	528,387	C4	0
	0391735	16446	1,363,020	1,334,133	C3 P1 P3	28,887
	0402176	16446	641,982	658,275	P1 P6	-16,293
	0751766	16446	1,731,478	1,884,690	C4 P1	-153,212
	0793027	16446	2,021,131	2,024,799	P6	-3,668
	0999970	16446	1,469,804	1,469,804		0



Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 3	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	2181800	17027	1,517,747	1,427,475	C4 P1	90,272
	0157465	18147	1,561,115	1,701,143	P1	-140,028
	2945584	18147	372,721	374,339	P4	-1,618
	2232871	18147	346,042	346,042		0
	1924885	18147	250,833	250,833		0
	0703869	18147	573,987	574,987	P6	-1,000
	0688517	18147	1,150,790	971,366	P6	179,424
	0013072	18147	1,402,212	1,407,285	P4	-5,073
	3037452	18147	829,120	829,120		0
	0237205	18147	402,062	282,486	C4 P1	119,576
	0310450	18147	716,728	710,604	P6	6,124
	0495891	18147	361,479	361,479		0
	3262030	20206	359,933	193,803	P6	166,130
	3217576	24562	742,642	742,642	C4	0
	3190725	24562	1,166,857	1,158,640	C4 P1	8,217
	3140053	31720	811,609	814,465	P6	-2,856
	3202313	35866	955,330	967,256	P4	-11,926
	2016990	35866	608,617	608,617		0

Quarterly Total Test Audit Payroll: **83,434,720**

Quarterly Total Company Audit Payroll: **83,188,762**

Quarterly Total Payroll Difference: **245,958**

Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 4	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3193606	12890	1,322,862	1,230,373	P1	92,489
	3149839	12890	1,729,187	1,806,179	P6	-76,992
	2918714	12890	674,856	674,856		0
	2340569	12890	1,547,847	1,549,637	P6	-1,790
	2233177	12890	601,313	599,799	P4 P6	1,514
	0095133	14184	673,994	690,155	C4 P4	-16,161
	3147448	15032	182,861	182,861		0
	3212678	16144	600,573	512,772	P6	87,801
	3229960	16144	165,265	165,265		0
	1296892	16446	1,495,370	1,497,823	P1 P3	-2,453
	3235162	16985	569,588	415,000	C1 C4 P1	154,588
	3179464	16985	204,494	204,494		0
	2433982	16985	217,810	222,356	P2	-4,546
	0550493	16985	1,157,810	1,192,717	C4 P6	-34,907
	2095335	17124	541,007	541,007		0
	2648792	17124	1,734,458	1,701,491	P6	32,967
	3130114	17124	769,197	769,197		0
	2053381	17124	1,797,030	1,807,920	P3	-10,890
	0997021	17124	1,191,336	1,191,336		0
	1174380	18147	1,328,115	1,328,115		0
	3207180	24562	647,310	648,360	P6	-1,050
	3167964	24562	439,249	439,249		0
	2220130	24562	635,263	658,507	C4 P6	-23,244
	2086832	24562	1,225,323	1,225,323		0
	1874608	24562	1,108,637	1,108,637		0
	0427187	24562	465,945	465,945		0
	0410470	24562	1,586,929	1,586,929		0
	0079944	24562	937,757	935,076	P2 P6	2,681
	1007181	24562	254,530	254,530	C4	0
	0704628	31720	606,751	604,320	P6	2,431
	1717804	31720	243,036	242,522	P6	514

Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

Quarter: 4	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	3280721	31720	1,659,863	1,659,863		0
	2407060	33928	1,378,423	1,383,342	P2	-4,919
	2292416	33928	1,991,484	1,982,385	C4 P3	9,099
	0519375	33928	526,268	526,268		0
	0091758	33928	1,661,912	1,667,524	C4 P2	-5,612
	2363933	35866	1,227,119	1,241,592	P2	-14,473
	1410598	35866	606,685	614,707	P6	-8,022
	0770612	35866	1,629,957	1,644,669	C5 P6	-14,712
	0146269	35866	1,445,046	1,542,787	P4	-97,741
	0053007	35866	1,478,263	1,478,263		0
	3135483	35866	326,536	326,536		0
	2922550	35866	1,595,490	1,605,586	C4 P6	-10,096

Quarterly Total Test Audit Payroll: **42,182,749**

Quarterly Total Company Audit Payroll: **42,126,273**

Quarterly Total Payroll Difference: **56,476**

Minnesota Workers Compensation Insurers Association

Voluntary Market

Test Audits Completed January 1, 2013 - December 31, 2013

YTD Total Test Audit Payroll:	258,448,698
YTD Total Company Audit Payroll:	257,717,197
YTD Total Payroll Difference:	731,501

Summary of Errors:

Error	Count of Errors	Error	Count of Errors	Total Audits:	300
P1	47	C1	14	Total Audits w/ Differences:	169
P2	20	C2	1	Percentage of Audits showing Differences:	56.3 %
P3	18	C3	2		
P4	17	C4	34		
P5	4	C5	10		
P6	90				
P7	0				

Difference Reasons

Payroll Differences:

- P1: Officer, partner, individual and family members payroll inclusion, exclusion or limitation
- P2: Overtime Credit
- P3: Reported payroll not within policy period dates
- P4: Rule 2 payroll inclusions/exclusions
- P5: Mathematical - extension errors
- P6: All other differences
- P7: Accepting insured figures without an audit

Classification Differences:

- C1: Standard exceptions
- C2: Executive officers, partners, sole proprietors
- C3: Improper splitting of individuals payrolls
- C4: Classification variance
- C5: All Other

*** Payroll Differences of \$500 or less are not deemed to be a reportable difference.**