



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South ▪ Suite 450
Minneapolis, MN 55435-3203

March 10, 2016

ALL ASSOCIATION MEMBERS

Circular Letter No. 16-1683

RE: MWCARP – Change to the MWCARP Application Process for Coverage

Attached is a notice from the Minnesota Workers' Compensation Assigned Risk Plan (MWCARP) regarding a change to the Plan's application process for coverage.

Please refer to the attached for information regarding this notice.



Kim Zersen, ARM
Assistant Vice President

RE: Change to the MWCARP Application Process for Coverage

Effective on April 1, 2016, there will be a change regarding the MWCARP application process. One of the eligibility requirements for coverage in the MWCARP has always been that you must have been declined coverage by an insurance company licensed to write workers' compensation insurance in the state of Minnesota. This notice of refusal must now be provided in writing. This is required by Minnesota Statute 79.252 as stated below (emphasis added):

79.252 ASSIGNED RISK PLAN.

Subdivision 1. **Purpose.** The purpose of the assigned risk plan is to provide workers' compensation coverage to employers rejected by a licensed insurance company pursuant to subdivision 2.

Subd. 2. **Rejected risks.** An insurer that refuses to write insurance for an employer **shall furnish the employer a written notice of refusal.** The employer shall file a copy of the notice of refusal with the data service organization under contract with the commissioner pursuant to section 79.251, subdivision 4.

Subd. 2a. **Minimum qualifications.** Any employer that (1) is required to carry workers' compensation insurance pursuant to chapter 176 and (2) **has a current written notice of refusal to insure** pursuant to sub-division 2, is entitled to coverage upon making written application to the assigned risk plan, and paying the applicable premium.

The written notice of refusal may be attached with the online application or included with the paper application form when you apply for coverage. However, if it is not attached to the online application or included with the paper application, it **must** be provided to the Servicing Carrier within the first ninety (90) days of the policy period in order to **avoid cancellation** of the policy.

Please direct any questions you may have concerning this issue to the following:

Ms. Kim Zersen – kim.zersen@aon.com
Affinity Insurance Services, Inc. (Aon) – Plan Administrator
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