Minnesota Workers' Compensation Insurers Association, Inc.

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J.P. Hildebrandt, President

MWCIA

February 7, 1996

ALL ASSOCIATION MEMBERS

Circular Letter No. 96-1247

RE: Rewriting of Policies Due to Reduced Rate Filings

The Minnesota Department of Commerce has requested that we advise our members of their position concerning the rewriting of policies as the result of a recent reduction of rates in a subsequent filing.

The Department of Commerce has advised us in their letter dated January 24, 1996 as follows:

"The Department has determined that Workers' Compensation policies can be canceled and rewritten to accommodate a reduction in rates. This is permissible under the provisions of Minnesota Cancellation and Non-Renewal Endorsement (WC 22 06 01 A). It is not the intent of the Department of Commerce to approve the rewriting of Workers' Compensation policies in cases where the policyholder may be negatively impacted."

Any questions regarding the Commerce Department's position in this matter should be addressed to:

Mary Lou Houde, Commerce Analyst Minnesota Department of Commerce 133 East 7th Street St. Paul, MN 55101

Tel: (612) 296-8592

Very truly yours,

JOHN P. HILDEBRANDT

President