



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

May 26, 1999

ALL ASSOCIATION MEMBERS

Circular Letter No. 99-1319

RE: FORMS MANUAL – SPECIAL MN REFERENCE LIST

The Minnesota Department of Commerce has approved the above referenced filing for use in Minnesota effective April 7, 1999.

As part of our role as a Data Service Organization, MWCIA routinely files National Council's *Forms Manual* for use in Minnesota. This manual contains all of the various forms and endorsements currently approved for use in Minnesota as well as other forms and endorsements which do not apply. Recently the Department of Commerce advised MWCIA that it has experienced an increase in carrier filings that include specimen forms or endorsements which Commerce's analysis indicates as either inappropriate or not applicable in Minnesota.

The approval of a Minnesota exception page (see Exhibit I attached) creates a special listing within the *Basic Manual* of all of the forms and endorsements from the *Forms Manual* that are currently approved for use in Minnesota. The creation of a special reference list in the Minnesota pages of the *Basic Manual* should serve to eliminate any confusion regarding the appropriateness of specific forms and endorsements in Minnesota. Additionally, the inclusion of National Council's version indicator as a part of this listing will assist membership by providing a quick reference tool for identifying the most current version of each available form or endorsement. In the future, MWCIA will notify membership of any changes involving the *Forms Manual* which affect Minnesota via our circular mailing service and by updating the special Minnesota reference list in the *Basic Manual*.

In preparation for the above filing, Association staff and the Department of Commerce completed a review of each form and endorsement currently appearing in NCCI's *Forms Manual* for the appropriateness of its language as well as its applicability in Minnesota. As a result of this review, Commerce recommended amending the *Voluntary Compensation & Employers' Liability Coverage Endorsement* (WC 00 03 11) and the *Domestic & Agricultural Workers Exclusion Endorsement* (WC 00 03 15) to include an explanatory note to assist carriers by referring them to the appropriate Minnesota statute (see Exhibits II & III attached). Please note that the inclusion of a special Minnesota notation for Endorsement No. WC 00 03 11 and Endorsement No. WC 00 03 15 is intended to serve only as a clarification and does not affect the intended use of either endorsement in Minnesota.

Another result of the Department of Commerce review was a request for the withdrawal of the *Medical Benefits Exclusion Endorsement* (WC 00 03 06) from use in Minnesota. Based upon Commerce's interpretation of current laws involving self-insurance, ex-medical policies are no longer applicable in Minnesota. Exhibit IV (attached) deletes Rule IX.E.3 from the Minnesota exception pages of the *Basic Manual* and creates a Minnesota exception under Rule IX.E.2 to comply with the withdrawal of the *Medical Benefits Exclusion Endorsement* (WC 00 03 06) from use in Minnesota. It should be noted that MWCIA currently has no record of ex-medical policies on file in Minnesota.

Please note that each attached exhibit may contain underlined and/or strikethrough text. Underlining represents new or added text while strikethroughs indicate deleted text. Questions regarding this filing or the attached exhibits may be directed to our Underwriting Services staff for further assistance.

Very truly yours,

M. A. Johnson
Director of Und. Services

EXHIBIT I
 BASIC MANUAL
 PART ONE - RULES

CURRENT NCCI PHRASEOLOGY:

RULE I - GENERAL

D. Policy and Endorsement Forms Manual

Refer to the Policy and Endorsement Forms Manual for complete description of coverages and instructions on use of policy and endorsement forms.

PROPOSED MINNESOTA EXCEPTION PHRASEOLOGY:

RULE I - GENERAL

D. Policy and Endorsement Forms Manual

The following forms and endorsements are applicable for use in Minnesota:

<u>FORM/ENDORSEMENT#</u>	<u>VERSION SUFFIX</u>	<u>DESCRIPTION</u>
Forms-		
WC000000		WORKERS COMP & EMPLOYERS LIAB.. INS POLICY
WC000001	B	INFORMATION PAGE
WC890609	B	POLICY TERMINATION/CANCELLATION/REINSTATEMENT NOTICE
Endorsements -		
WC000101	A	DEFENSE BASE ACT COVERAGE
WC000102		FEDERAL COAL MINE HEALTH & SAFETY ACT COVERAGE
WC000104		FEDERAL EMPLOYERS' LIABILITY ACT COVERAGE
WC000106	A	LONGSHOREMEN'S & HARBOR WORKERS COMP ACT COVERAGE
WC000108	A	NONAPPROPRIATED FUND INSTRUMENTALITIES ACT COVERAGE
WC000109	A	OUTER CONTINENTAL SHELF LANDS ACT COVERAGE
WC000111		MIGRANT SEASONAL AGRICULTURAL WORKER PROTECT ACT
WC000201		MARITIME COVERAGE
WC000203		VOLUNTARY COMPENSATION MARITIME COVERAGE
WC000204		LIMITED MARITIME COVERAGE ENDORSEMENT
WC000301	A	ALTERNATE EMPLOYER
WC000302		DESIGNATED WORKPLACES EXCLUSION
WC000303	B	EMPLOYERS LIABILITY COVERAGE
WC000304		INSURANCE COMPANY AS INSURED
WC000305		JOINT VENTURE AS INSURED
WC000307		MEDICAL BENEFITS REIMBURSEMENT
WC000308		PARTNERS, OFFICERS. AND OTHERS EXCLUSION
WC000309	A	RURAL ELECTRIFICATION ADMINISTRATION
WC000310		SOLE PROPRIETORS, PARTNERS, OFFICERS, OTHERS COVERAGE
WC000311	A	VOL. COMP & EMPLOYERS LIABILITY COVERAGE
WC000313		WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS
WC000315		DOMESTIC & AGRICULTURAL WORKERS EXCLUSION
WC000324		WORKERS COMP INS PLAN - OTHER STATES ENDORSEMENT
WC000401	A	AIRCRAFT PREMIUM
WC000403		EXPERIENCE RATING MODIFICATION FACTOR
WC000405		POLICY PERIOD
WC000406	A	PREMIUM DISCOUNT
WC000409		PREMIUM DETERMINATION—FORMER SELF INSURERS 1
WC000410		PREMIUM DETERMINATION—FORMER SELF INSURERS 2

Refer to the *Forms Manual of Workers' Compensation & Employers Liability Insurance* for complete descriptions of coverage and instructions on the use of specific policy forms and endorsements or visit the Minnesota Workers' Compensation Insurers Association, Inc.'s website www.mwcia.org.

EXHIBIT I
 BASIC MANUAL
 PART ONE - RULES

CURRENT NCCI PHRASEOLOGY:

RULE I - GENERAL

D. Policy and Endorsement Forms Manual

Refer to the Policy and Endorsement Forms Manual for complete description of coverages and instructions on use of policy and endorsement forms.

PROPOSED MINNESOTA EXCEPTION PHRASEOLOGY:

RULE I - GENERAL

D. Policy and Endorsement Forms Manual

The following forms and endorsements are applicable for use in Minnesota:

<u>FORM/ENDORSEMENT#</u>	<u>VERSION SUFFIX</u>	<u>DESCRIPTION</u>
WC000412		CONTINGENT EXPERIENCE RATING MODIFICATION FACTOR
WC000414		NOTIFICATION OF CHANGE IN OWNERSHIP
WC000503	A	RETRO PREMIUM RATING OPTS V ONE YEAR PLAN
WC000504	A	RETRO PREMIUM RATING OPTS V THREE YEAR PLAN
WC000505	A	RETRO PREM. RTG OPTS V LONG TERM CONSTRUCT PROJECT
WC000508		RETRO PREMIUM AVIATION EXCLUSION
WC000509	A	RETRO PREMIUM CHANGES
WC000510		RETRO PREM. NONRATABLE CATASTROPHE ELEMENT/SURCHARGE
WC000511		RETRO PREMIUM SHORT FORM
WC000512	A	RETRO PREMIUM ONE YEAR PLAN MULTIPLE LINES
WC000513	A	RETRO PREMIUM THREE YEAR PLAN MULTIPLE LINES
WC000514	A	RETRO PREM. LONG TERM CONSTRUCT PROJECT MULT LINES
WC000515		RETROSPECTIVE PREMIUM FLEXIBILITY OPTIONS
WC000603		BENEFITS DEDUCTIBLE
WC220401		MINNESOTA CONTRACTING PREMIUM ADJUSTMENT PROGRAM
WC220402		MINNESOTA ANNIVERSARY RATING DATE ENDORSEMENT
WC220601	B	MINNESOTA CANCELLATION ENDORSEMENT

Refer to the *Forms Manual of Workers' Compensation & Employers Liability Insurance* for complete descriptions of coverage and instructions on the use of specific policy forms and endorsements or visit the Minnesota Workers' Compensation Insurers Association, Inc.'s website www.mwcia.org.

VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT

This endorsement adds Voluntary Compensation Insurance to the policy.

A. How This Insurance Applies

This insurance applies to bodily injury by accident or bodily injury by disease. Bodily injury includes resulting in death.

1. The bodily injury must be sustained by an employee included in the group of employees described in the Schedule.
2. The bodily injury must arise out of and in the course of employment necessary or incidental to work in a state listed in the Schedule.
3. The bodily injury must occur in the United States of America, its territories or possessions, or Canada, and may occur elsewhere if the employee is a United States or Canadian citizen temporarily away from those places.
4. Bodily injury by accident must occur during the policy period.
5. Bodily injury by disease must be caused or aggravated by the conditions of your employment. The employee's last day of last exposure to the conditions causing or aggravating such bodily injury by disease must occur during the policy period.

B. We Will Pay

We will pay an amount equal to the benefits that would be required of you if you and your employees described in the Schedule were subject to the workers compensation law shown in the Schedule. We will pay those amounts to the persons who would be entitled to them under the law.

C. Exclusions

This insurance does not cover:

1. any obligation imposed by a workers compensation or occupational disease law, or any similar law.
2. bodily injury intentionally caused or aggravated by you.

D. Before We Pay

Before we pay benefits to the persons entitled to them, they must:

1. Release you and us, in writing, of all responsibility for the injury or death.
2. Transfer to us their right to recover from others who may be responsible for the injury or death.
3. Cooperate with us and do everything necessary to enable us to enforce the right to recover from others.

If the persons entitled to the benefits of this insurance fail to do those things, our duty to pay ends at once. If the persons claim damages from you or from us for the injury or death, our duty to pay ends at once.

E. Recovery From Others

If we make a recovery from others, we will keep an amount equal to our expenses of recovery and the benefits paid. We will pay the balance to the persons entitled to it. If the persons entitled to the benefits of this insurance make a recovery from others, they must reimburse us for the benefits we paid them.

F. Employers Liability Insurance

Part Two (Employers Liability Insurance) applies to bodily injury covered by this endorsement as though the State of Employment shown in the Schedule were shown in Item 3.A of the Information Page.

EXHIBIT II

WC 00 03 11 A WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

Standard

Effective August 1, 1991

2ND Reprint

Schedule

<u>Employees</u>	<u>State of Employment</u>	<u>Designated Workers Compensation Law</u>
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Notes:

1. Use this endorsement to afford voluntary compensation coverage pursuant to Rules II and VIII of the Basic Manual
2. Use Voluntary Compensation Maritime Endorsement to provide Voluntary Compensation Coverage under Program II of Manual Rule XIII.
3. Work in a monopolistic state fund should not be included in the Schedule unless employers liability coverage is provided in the state by the Employers Liability Coverage Endorsement
4. This endorsement may only be used in accordance with the provisions of MS 176.041 in Minnesota.
5. Various uses of this endorsement are illustrated below.

Schedule

<u>Employees</u>	<u>State of Employment</u>	<u>Designated Workers Compensation Law</u>
All officers and employees not subject to the workers compensation law.	Any state shown in 3.A. of the Information Page.	The state where the injury takes place
All domestics, farm and agricultural workers.	Utah	Utah
All partners of the insured partnership.	Kansas	Kansas

Item P-26 --- VOLUNTARY COMPENSATION AND EMPLOYERS LIABILITY COVERAGE ENDORSEMENT ---WC 00 03 11 A

EFFECTIVE DATE	August 1, 1991 on a new and renewal basis.
ANNOUNCEMENT CIRCULAR (FOR DETAILS)	NCCI-91-50, dates April 19, 1991
TECHNICAL CONTACT	Ellen Fell Baig, Associate Counsel 407-997-4729
PENDING	MD, NM
*RECOMMENDED	HI, TX
EFFECTIVE	AK, AL, AR(4), AZ, CO, CT, DC, DE(2), FL, GA, IA, ID, IL, IN, KS, KY, LA, MA(3), ME, MN, MO, MS, MT, NC, NE, NH, NY, OK, OR, PA(1), RI, SC, SD, TN, UT, VA, VT
NOT FILED	MI, WI
NOT APPLICABLE	CA, NJ

(1) Approved a revision to this item, effective September 19, 1991. Refer to PA Comp. Rating Bureau Circular No. 1258 for more details

(2) Effective September 23, 1991
 (3) Effective February 1, 1992
 (4) Effective March 2, 1992

Please consider this the final status on this item

EXHIBIT III

WORKERS COMPENSATION AND EMPLOYERS LIABILITY INSURANCE POLICY

WC 00 03 15

2ND Reprint

Effective September 1, 1985

Standard

DOMESTIC AND AGRICULTURAL WORKERS EXCLUSION ENDORSEMENT

The policy does not cover bodily injury to any person described in the Schedule.
The premium basis for the policy does not include the remuneration of such persons.
You will reimburse us for any payment we are required to make because of bodily injury to such persons.

Schedule

Farm or Agricultural Workers:

Domestic or Household Workers:

Notes:

1. Use this endorsement in a state where the insured has elected pursuant to the workers compensation law not to be responsible for providing benefits for farm or agricultural workers and employees and to exclude employers liability where the insured is statutorily exempt from workers compensation coverage.
2. Use this endorsement in a state where the insured has elected pursuant to the workers compensation law not to be responsible for providing benefits for domestic or household workers and to exclude employers liability where the insured is statutorily exempt from workers compensation coverage.
3. Use this endorsement in Connecticut only when the insured is not responsible for providing benefits for domestic or household workers and does not elect pursuant to the workers compensation law to provide such benefits. (Section 31-275(5) (D), (6) (A) of the Connecticut Workers' Compensation Law.)
4. This endorsement may only be used in accordance with the provisions of MS 176.041 in Minnesota.
5. Individuals may be designated by naming them or by describing them, for example:
 - a. all farm or agricultural workers.
 - b. all domestic or household workers.

EXHIBIT IV

BASIC MANUAL

PRESENT PHRASEOLOGY:

RULE IX - Special Conditions or Operations Affecting Coverage and Premium

E. Exclusion of Statutory Medical Benefits -- Ex-Medical Coverage

1. Explanation

It is permissible in some states to issue a Standard Policy with the provision that the insured will pay for all medical and hospital services required by law. Attach the Standard Medical Benefits Exclusion Endorsement (WC 00 03 06) for those states where the insured is a qualified self-insurer with respect to the payment of medical benefits. Attach the Standard Medical Benefits Reimbursement Endorsement (WC 00 03 07) for those states where the insured has elected, pursuant to the workers compensation law, to be responsible for providing medical benefits but is not a qualified self-insurer for them.

2. Advisory Loss Costs, Rates and Premium

For any location insured on an ex-medical basis, use the ex-medical rates to compute premium for the applicable classifications. Ex-medical loss costs are printed on the advisory loss cost pages in Part Three of this manual for the hospital classifications. For other classifications, obtain ex-medical loss costs from the National Council on Compensation Insurance, Inc. or other licensed rating organization. Ex-medical rates for hospital and other classifications may be obtained from the carrier in competitive rating jurisdictions. Otherwise such rates may be obtained from the National Council on Compensation Insurance, Inc. or other licensed rating organization.

MN EXCEPTION:

~~E. Exclusion of Statutory Medical Benefits -- Ex-Medical Coverage~~

~~3. Approval Required~~

~~Authorization. No workers compensation coverage for an insured may be written eliminating statutory medical aid coverage unless specific authority is granted by the Commissioner of Commerce of the State of Minnesota.~~

PROPOSED PHRASEOLOGY;

RULE IX - Special Conditions or Operations Affecting Coverage and Premium

E. Exclusion of Statutory Medical Benefits -- Ex-Medical Coverage

1. Explanation

SAME

ADD MN EXCEPTION:

2. Advisory Loss Costs, Rates and Premium

No workers compensation coverage for an insured may be written eliminating statutory medical aid coverage in the State of Minnesota.

DELETE MN EXCEPTION:

NONE

NONE