



The mission of the Minnesota Workers' Compensation Insurers Association is to collect, process, and analyze workers' compensation data so that we can provide high quality, consistent information to our insurer members and regulators. We will develop and deliver useful services and products to the workers' compensation community.

July 2017

2nd Quarter 2017 Issue

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[MCPAP renewal/sign up](#)  
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[MN Work Comp Assigned Risk Plan](#)  
[Minnesota Department of Labor & Industry](#)  
[Minnesota Department of Commerce](#)  
[Minnesota Department of Employment & Economic Development \(MN Unemployment Insurance Program\)](#)

## Circulars/Announcements/Links

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## President's Message



Consistency and value. This is what we try to bring to our members every day. As a ratemaking and statistical service organization, MWCIA's core responsibility is to consistently and efficiently gather information, analyze it and provide ratemaking and statistical information to our members in a way that provides the best value for their investments. I have touched on this in past newsletters, but I do want to assure you

that we continue to take this notion seriously as we look to expand our education and services going forward.

One of the ways in which we ensure value is to team up with partner organizations through Spectrum Partners, Compensation Data Exchange (CDX) and the Workers' Compensation Insurance Organizations (WCIO).

When meeting with these groups over the past few months, as we do every year, the focus on creating consistency and value to our membership is at the forefront of every conversation. I am proud of our work in these partnerships and happy to report that we have done significant strategic planning efforts at Spectrum Partners and will likely do so with the other groups as well.

Reflecting back on a couple meetings I attended in the past few months, I am challenged and excited to see what the workers' compensation market will bring in the future. At the Insurance Data Management Association in Chicago, I was intrigued by what block chain technology may do for our industry as a vehicle for multiple party transactions (think ARP applications, or proof of coverage certificates.) At the NCCI Annual Issue Symposium (AIS) in Orlando, a statistic in one of the opening presentations struck me as profound. Claims frequency in workers' compensation is half of what it was just 20 years ago. Think about that, what does that mean for our industry as risk frequency and

[Circular Letter 17-1707](#)

**Data Reporting - Workers' Compensation  
Terrorism Data for Federal Insurance Office -  
Section 111 of TRIPRA of 2015**

[Circular Letter 17-1706](#)

**NCCI Item P-1413 – Establishment of Experience  
Rating Modification Factor Revision Endorsement**

[Circular Letter 17-1705](#)

**WCSTAT Header Record – Basis of Deductible  
Calculation Code – Code 12 Added**

[Circular Letter 17-1704](#)

**2016 Test Audit Summary Report**

[Circular Letter 17-1703](#)

**Experience Modification Computer Based Training  
(CBT) from MWCIA**

[Circular Letter 17-1702](#)

**Enhancement to Experience Mod History – Carrier  
Notifications**

[Circular Letter 16-1701](#)

**4-1-2017 Assigned Risk Rates**

[Circular Letter 16-1700](#)

**Frequently Asked Questions Regarding NCCI Item  
B-1429 – Establishment of Audit Noncompliance  
Charge - Minnesota**

## Important Dates & Deadlines:

- MN Contractors Premium Adjustment Program (MCPAP)
  - 2018 MCPAP
  - Does not automatically renew! Applications received with a postmark after 4/1/2017 will have a late penalty applied.
  - Average Hourly Wage: \$26.00
  - The MCPAP factors for 2017 have been calculated and sent out.
- Effective 1/1/2017 the Split Point is:
  - \$16,250
- Effective 1/1/2017 the State Per Claim Accident Limitation is:
  - \$220,500 Single
  - \$441,000 Multiple
- Minimum & Maximum Payrolls
  - Minimum: \$53,352
  - Maximum: \$213,408
  - Family: \$16,016

severity is significantly down in the past two decades. What will we look like if work injuries continue to decrease?

It's time to think beyond the old model and look to bring value and insight moving forward. Stay tuned as we move forward in our partnerships – MWCIA, along with other DCOs are constantly looking for ways to provide consistency and value for you.

## New Policy Expected Report and Policy Overdue Report

The Minnesota Workers' Compensation Insurers Association, Inc. (MWCIA) is pleased to announce a new enhancement to our Manage Policy System (MPS) on the MWCIA website. Beginning June 15, 2017, the MPS will include two new reports, the **Policy Expected Report** and the **Policy Overdue Report**.

The reports will be located within the MPS dashboard under the "Data Quality" tab. A Reminder on the MPS dashboard will notify you when the reports are available. The Reminder will be displayed for 10 days. You can click on the Reminder to acknowledge it has been read. You may also delete the Reminder. The reports will be available for 30 days, the 15th of the month to the 15th of the next month after which the reports will be refreshed with the next month's data. Policies submitted after the refresh date will not drop off of the report until the next monthly run.

The **Policy Expected Report** will provide a point-in-time snapshot list of policies due to expire within the next full month. For each policy, MWCIA will expect to receive either a renewal policy or valid termination of coverage notice within the next 30 days. This report will be generated on the 15th of every month. As an example, the report generated on June 15th will list the past due policies expected for July 1 to July 31.

The **Policy Overdue Report** will provide a point-in-time snapshot list of policies for which the MWCIA has NOT received a renewal policy or valid termination of coverage notice within the past 90 days. As an example, the report generated on June 15th will list the past due policies from March, April and May.

***Please remember that Minnesota is a continuous coverage state. Without a valid termination notice, a policy is considered active (valid) and the issuing carrier remains liable for any claims which may occur.***

For questions or to share your feedback, please send an e-mail to [Manage\\_Policy@mwcia.org](mailto:Manage_Policy@mwcia.org).

## Gift Card Anyone:

What game will you be playing if you have a 1 in 67 million chance of doing something twice during one game?

A winner of a \$10 gift card will be drawn from the first ten correct responses that are emailed to: [newsletter@mwcia.org](mailto:newsletter@mwcia.org).

**Last Quarter's Answer:** The 70's  
**Last Quarter's Winner:** Dan Munson –  
SFM Mutual Insurance Company

## Contact Us:

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## Editor:

**MWCIA News is a periodic publication of the Minnesota Workers' Compensation Insurers Association as a service to its members and the workers' compensation industry. Please direct any questions, comments or suggestions for articles you may have concerning this publication to:**

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## Classification Changes coming 1/1/2018 that you should know about Circular 17-1710

[NCCI Item B-1435—Revisions to Basic Manual Classifications and Appendix E—Classification by Hazard Group, Including Trucking and Towing](#)

There are many changes included in the above filing and circular linked, please make sure to review the entire circular for all the changes that will be taking place. This particular article however, is only going to cover the one that will impact the most people.

"Exhibit 5 addresses necessary changes to the Minnesota Basic Manual concerning the elimination of the trucking Codes 7228 - Local Hauling Only - All Employees & Drivers and 7229 - Long Distance Hauling - All Employees & Drivers, as well as cross references to these classifications under various headings in the Minnesota Basic Manual.

Exhibit 5 also details the addition of the re-established class Code 7219 - Trucking NOC - All Employees & Drivers and the newly established class code 7225 - Automobile Towing & Drivers along with the cross - reference phraseology to Roadside Assistance & Drivers. Many classifications will require that the cross references to Codes 7228 and 7229 be deleted and replaced with either Code 7219 or 7225. In some cases, only the phraseology will require updates. In depth descriptions proposed by Exhibit 5 (in parts) are outlined below.

Due to the elimination of the two trucking codes, and the disparity between the respective rates, there will be a rate impact to policyholders assigned to these classifications. Approximately 4% of statewide premium in Minnesota is derived from Codes 7228 and 7229. MWCIA proposes to introduce a base rate which will be based on the combined experience reported under class Codes 7228 & 7229 for the re-established class Code, 7219.

The base rate for Code 7228 will be used as the base rate for the newly established Towing & Roadside Assistance Code 7225. Policyholders with these operations are not expected to bear a significant premium impact as a result of this proposed change."

Again, [please review the entire circular 17-1710 for complete information](#) and exact wording. The following is only the portion referring to the trucking changes.

## Sometimes it's fun to see... Fun!

We here at the MWCIA are very community oriented, not only as a company, but I'm so thrilled to be able to say, every single one of our staff is as well. Yes, we all work hard, and we all strive to make not only our work great but our communities as well. It's always fun for me to be able to share these moments with others. Here are two of my many favorite moments with my coworkers from MWCIA's [Red Nose Day](#):

