

MWCIA QUARTERLY

The Official Quarterly Newsletter of
The Minnesota Workers' Compensation Insurers Association.

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: Dani Main—editor of MWCIA News via e-mail: newsletter@mwcia.org



PRESIDENT'S MESSAGE

Jennifer Wolf - President MWCIA

I hope each of you has made plans to attend the upcoming Minnesota Work Comp Forum on October 13th, 2023. Hosted by the Workers' Compensation Reinsurers Association (WCRA) and the Minnesota Workers' Compensation Insurers Association (MWCIA), the event promises a day of valuable education and networking with stakeholders across Minnesota's workers' compensation community.

A sustainable workers' compensation system is built on a foundation of knowledge and continuous learning. The Minnesota Work Comp Forum features nine educational sessions on contemporary issues, including legislative updates, medical management, and employment classification. These programs will help professionals better navigate the complexities of workers' compensation, leading to improved outcomes for injured workers and more efficient processes for employers.

The Minnesota Work Comp Forum is also an ideal place to create connections, forge relationships, and learn from one another. Whether you're an employer, adjuster, agent, legal expert, or insurance professional, you'll find value in connecting with others who share the common goal of improving Minnesota's workers' compensation system.

Learn more and register at [MN Work Comp Forum](#). I look forward to connecting with you on Friday, October 13th!

WHAT'S IN OUR LATEST ISSUE:

- PG 2 - Auditors Corner:**
Let's talk allowances
- PG 3 - Carrier Reporting**
Corner
- PG 3 - Welcome to the**
Team Gregg Lutz
- PG 4 - Important**
Numbers for your 2024
renewals



Friday October 13, 2023

AUDITORS CORNER: LET'S TALK ALLOWANCES!

*Terra Jordahl -
Sr. Field Operations Specialist/
Test Auditor*



Auditors- let's talk about allowances- auto, cell phone, etc. Did you know that Rules 1 and 2 in the Minnesota Basic Manual were revised back in 2018? Prior to 2018, flat rate expense allowances were not able to be excluded. Minnesota adopted the revisions of NCCI Item B-1433 effective January 1st, 2018, that added clarifying language. Per Rule 2-B-2-h, payroll excludes:

- Expense reimbursements to employees if the employer's records confirm that the expense was incurred as a valid business expense.
- Reimbursed expenses and flat expense allowances paid to employees may be excluded from the audit only if all three of the following conditions are met:
 - (1) The expenses or allowances are incurred for the business of the employer
 - (2) The amount of each employee's expense or allowance is shown separately in the records of the employer
 - (3) The amount of the expense or allowance approximates the actual expense incurred by the employee in the conduct of their work

Note: If an employer did not maintain verifiable receipts for incurred expenses for an employee that was away from home overnight on the business of an employer, a maximum expense allowance is permitted to be excluded. Refer to Rule 2-B-1-p Exception for the maximum employee expense allowance. Allowable travel expenses permitted by any contract with a federal, state, or local government entity, including, but not limited to, a city, borough, or village, are excluded from payroll. In lieu of verifiable receipts for incurred expenses, the employer must produce a copy of the contract provision permitting the travel expenses at audit. The allowable travel expenses must be in addition to the current wage of the employee.

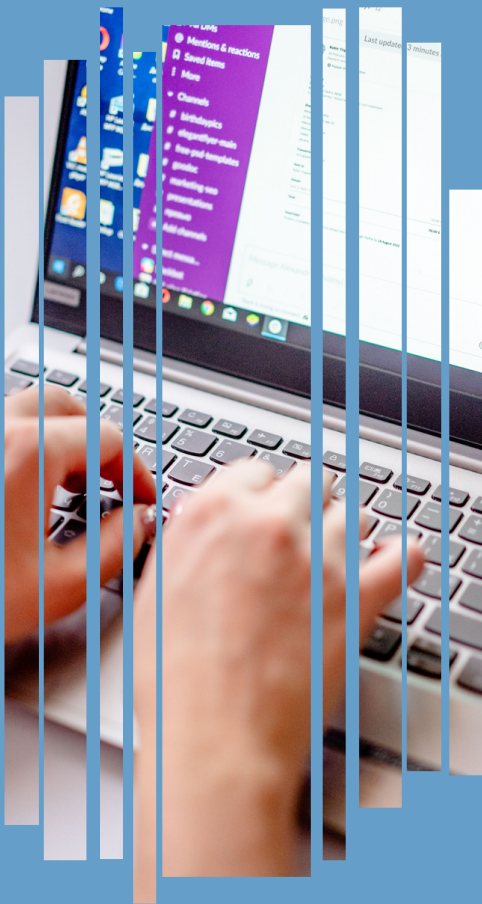
For more information regarding payroll inclusions and exclusions, please refer to the [Minnesota Basic Manual](#).



Are you an auditor looking for an outlet to discuss issues and gain networking resources?

Minnesota Insurance Auditor's Association (MIAA) is a local chapter of the Insurance Auditor's Association of the Central States. We meet periodically to discuss issues that auditors are seeing in the field, rule changes, and more!

If you would like to join us or want more information, please contact MIAA president Terra Jordahl at terra.jordahl@mwcia.org



CARRIER REPORTING CORNER

POLICY ADDRESSES

Policy Reporting Department

When reporting addresses on a policy, it is important to note the following when entering the data:

1. Mailing Addresses for the insured and the fields:
 - a. The mailing address can be a PO Box.
 - b. The C/O must go after the Primary Name. If you add it before the street address, then the address will not display, and your mail won't be delivered. This will still meet the basic qualifications of the USPS, which states to list the C/O between the name and the address.
2. Specific Locations:
 - a. A work location address, or type code 2, must be a specific address.
 - b. You can also submit a type code 6 if there is no specific address.

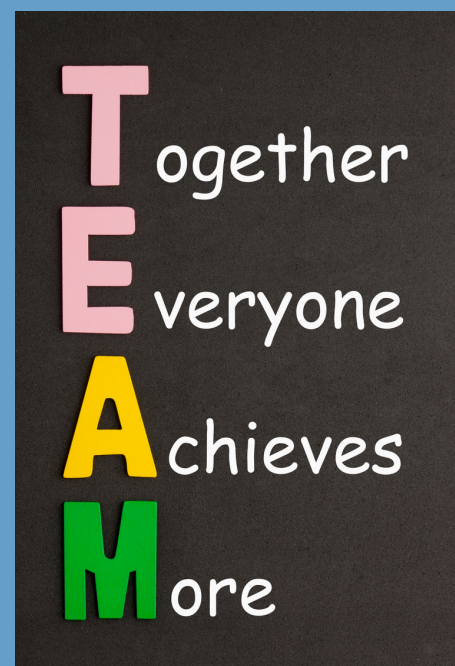
WELCOME TO THE TEAM

Jennifer Wolf - President MWCIA

MWCIA is excited to introduce Gregg Lutz, who joins our team as the Vice President of Data Services. Mr. Lutz assumes leadership of MWCIA's data collection services and oversees the management of business analyst resources. These responsibilities are central to fulfilling statutory obligations as Minnesota's designated Data Service Organization (DSO).

Mr. Lutz brings with him experience and a deep understanding of workers' compensation data standards and reporting. His passion for data stewardship promises to enhance MWCIA's data governance practices and elevate the overall quality of our data. This focus on data integrity is the foundation of our annual Ratemaking Report, State of the Market analysis, and other research reports.

The data units within MWCIA play a vital role in advancing the public welfare and economic security of Minnesota by supporting a sustainable workers' compensation system. Our collection of policy data allows for the verification of coverage by the Minnesota Department of Labor & Industry. Unit statistical records provide insights into policy-level exposure and experience. Mr. Lutz is eager to apply his experience to these functions, contributing to the continued success of our organization and the well-being of Minnesota's workers and businesses.



FOLLOW US



IMPORTANT NUMBERS FOR YOUR 2024 RENEWALS:

Newsletter Editor



The following items are **effective 1/1/2024**:

- **State Per Claim Accident Limitations:**
 - Single: \$122,500
 - Multiple: \$245,000
- **Split Point:**
 - \$17,500
- **Experience Modification Eligibility:**
 - Less than 2 years: \$14,000
 - Average if more than 2 years: \$7,000
- **Minimum & Maximum Payrolls for an Owner/Officer and Family Members:**
 - Owner/Officer Minimum: \$69,524
 - Owner/Officer Maximum: \$278,096
 - Family Member (no cap): \$20,852

The following items were **effective 10/1/2023** (anyone requiring a calculation **MUST** contact the MN Dept of Labor & Industry):

- **Statewide Average Wage**
 - Weekly: \$1,337
- **PTD Weekly Benefit Amounts:**
 - Maximum: \$1,363.74
 - Minimum: \$869.05

You can find previous years' limits on our [FAQ page](#) at mwcia.org.

Important Information
you **Need To Know** links:

[Circulars: Changes to MN Workers Compensation](#)

[Helpful Industry Links:](#)

[MN DLI](#), [MN Dept of Commerce](#), [MN Dept of Employment & Economic Development](#)

[Yearly Changes:](#)

[Split Point](#),

[Per Claim Accident Limitations](#),

[Min/Max Payrolls](#)

[Online Training:](#)

[Experience Mods](#),

[ERM-14](#),

[& More](#)

CONTACT US

Phone: 952-897-1737

[Underwriting: Option 1](#)

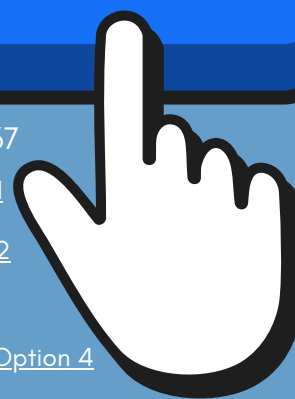
[Assigned Risk: Option 2](#)

[Actuarial: Option 3](#)

[Unit Statistical Reporting: Option 4](#)

[Policy Reporting: Option 5](#)

[Assistance/General: Option 0](#)



www.mwcia.org – Now with an expanded chat feature!