

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

August 23, 2001

## **ALL ASSOCIATION MEMBERS**

Circular Letter No. 01-1365

## Re: FEIN and Unemployment Account Numbers

Recently, MWCIA staff has been inundated with calls from agents and insurance companies in response to our recent efforts to collect employers' federal employer identification numbers (FEIN) and unemployment account numbers. Many callers believe this is a new requirement. It is not. A statute has existed in Minnesota since the early 1990s requiring insurance companies to include employers' FEIN and unemployment account numbers as part of their proof of coverage information on all workers' compensation policies. While many policies now include the FEIN, they often do not include the required unemployment account number. Agents are a key element in helping insurance companies comply with this requirement. If the agent routinely requests the FEIN and unemployment account number from the policyholder when it applies for workers' compensation insurance, the insurance companies will be able to report this information at the time of policy issuance. In cases where an employer does not have an unemployment account number or FEIN at the time of policy issuance, policies may be issued without these numbers and endorsed once the information is received. Obtaining this information before the policy is issued, however, helps avoid the costly expense of follow-up by our office, the insurance company, and the agent.

The following excerpts from the August 2000 issue of *MWCIA News* explain Minnesota's requirement for collecting Unemployment Account Numbers and FEIN:

"Minnesota Rules Chapter 5222 outlines the rules specifying the form, content and place of filing for all proof of coverage items. Minnesota Rules are very specific with respect to the information for each employer that must be filed. [Minnesota Rules Chapter 5222.2001] contains the requirement that 'Every employer's federal employer identification number (FEIN) and unemployment account number' (UI) shall be collected with each insurance policy."

FEIN is the Federal Employer Identification Number and the UI is the Minnesota Unemployment Account Number. FEINs are assigned by the federal government (800.829.1040) to every employer in the United States. UI Account Numbers are assigned by the Minnesota Department of Economic Security (651.296.6141) to all <a href="employers">employers</a> in the State of Minnesota. FEINs consist of 9 digits and UI Account Numbers consist of 10 digits. MWCIA does not have the authority to provide FEIN or UI Account Numbers to insurance companies, agents, or employers. If an employer doesn't know these identification numbers, its tax consultant is generally a good source for this information.

MWCIA's Circular Letters No. 93-1183, 93-1184, and 93-1192 provide additional information regarding the filing of Unemployment Account Numbers and FEINs. Should you have further questions concerning UI or FEIN, please contact one of our underwriters at 952.897.1737 or email your questions to <a href="mailto:info@mwcia.org">info@mwcia.org</a>.

Very truly yours,

BRUCE A. TOLLEFSON, CIC President