



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

March 8, 2006

**ALL ASSOCIATION MEMBERS**

Circular Letter No. 06-1480

**RE: 2005 Test Audit Summary Report**

Attached are the summary sheets showing the results of the 2005 Test Audit Program by the Minnesota Workers' Compensation Insurers Association, Inc. For your convenience, the report lists all test audits completed between January 1, 2005 and December 31, 2005, and is sorted by carrier ID.

If you have any questions regarding this information please contact one of our Member & Customer Service's staff by calling 952.897.1737 (Option 1) or by emailing [info@mwcia.org](mailto:info@mwcia.org).

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>1</b>        |                   |                   |                           |                              |                       |                                 |
|                 | 2762455           | 10545             | 696,754                   | 712,681                      | P5                    | -15,927                         |
|                 | 0329932           | 10685             | 3,352,642                 | 3,352,642                    |                       | 0                               |
|                 | 1174657           | 11061             | 3,001,184                 | 3,001,184                    |                       | 0                               |
|                 | 2801892           | 11223             | 132,299                   | 133,447                      | C3 P7                 | -1,148                          |
|                 | 0313297           | 12289             | 22,116,085                | 22,116,085                   |                       | 0                               |
|                 | 1286048           | 12440             | 617,618                   | 617,618                      |                       | 0                               |
|                 | 0488640           | 12882             | 2,236,844                 | 2,203,697                    | P5                    | 33,147                          |
|                 | 0289965           | 12890             | 16,418,365                | 16,418,365                   |                       | 0                               |
|                 | 0859605           | 12998             | 4,063,446                 | 4,063,446                    |                       | 0                               |
|                 | 0828408           |                   | 487,162                   | 487,162                      |                       | 0                               |
|                 | 2256096           |                   | 501,462                   | 504,948                      | P5                    | -3,486                          |
|                 | 1232436           | 13269             | 5,644,458                 | 5,644,458                    |                       | 0                               |
|                 | 0906158           |                   | 461,301                   | 461,301                      |                       | 0                               |
|                 | 3170083           | 13668             | 622,140                   | 622,140                      |                       | 0                               |
|                 | 3003060           | 13692             | 15,359,065                | 15,359,065                   |                       | 0                               |
|                 | 3136443           | 13706             | 793,266                   | 793,266                      |                       | 0                               |
|                 | 1134540           |                   | 1,723,532                 | 1,723,532                    |                       | 0                               |
|                 | 0201910           | 13781             | 1,954,971                 | 1,954,971                    |                       | 0                               |
|                 | 1570668           | 14397             | 726,967                   | 724,532                      | P1                    | 2,435                           |
|                 | 1880535           |                   | 2,199,973                 | 1,999,041                    | P1 P5                 | 200,932                         |
|                 | 1485024           |                   | 1,817,142                 | 1,817,919                    | P1 P3                 | -777                            |
|                 | 1018906           | 14842             | 4,866,113                 | 4,866,113                    |                       | 0                               |
|                 | 2360713           |                   | 21,167                    | 21,167                       |                       | 0                               |
|                 | 2725398           |                   | 188,315                   | 190,556                      | C5 P2                 | -2,241                          |
|                 | 2506335           |                   | 152,109                   | 152,109                      |                       | 0                               |
|                 | 3075435           |                   | 133,308                   | 134,086                      | C5 P6                 | -778                            |
|                 | 3157829           |                   | 45,159                    | 45,159                       |                       | 0                               |
|                 | 1752456           | 15385             | 472,750                   | 472,750                      |                       | 0                               |
|                 | 0875252           | 15628             | 458,238                   | 457,775                      | P5                    | 463                             |
|                 | 3139390           | 15644             | 3,795,483                 | 3,795,483                    |                       | 0                               |
|                 | 0087661           | 15857             | 602,817                   | 602,817                      |                       | 0                               |
|                 | 2579740           |                   | 1,032,522                 | 1,032,522                    |                       | 0                               |
|                 | 3168490           |                   | 465,362                   | 465,362                      |                       | 0                               |
|                 | 0929611           |                   | 2,658,399                 | 2,658,399                    |                       | 0                               |
|                 | 2610515           |                   | 462,308                   | 462,308                      |                       | 0                               |
|                 | 0897965           | 15865             | 2,036,652                 | 2,036,652                    |                       | 0                               |
|                 | 1906259           | 15873             | 582,034                   | 559,318                      | C1 P5 P6              | 22,716                          |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

|         |       |            |            |          |         |
|---------|-------|------------|------------|----------|---------|
| 1872419 | 15873 | 222,701    | 218,087    | P6       | 4,614   |
| 1121448 |       | 333,073    | 333,073    |          | 0       |
| 0823074 |       | 322,755    | 322,755    |          | 0       |
| 2369699 |       | 94,254     | 94,254     |          | 0       |
| 2864150 |       | 1,023,406  | 1,023,406  | C2       | 0       |
| 2785153 |       | 695,498    | 714,929    | P5       | -19,431 |
| 1442899 |       | 263,186    | 264,234    | C2 C5 P5 | -1,048  |
| 3067467 |       | 635,518    | 414,652    | P1 P3 P7 | 220,866 |
| 1266373 |       | 1,248,871  | 1,248,871  |          | 0       |
| 2674416 |       | 96,425     | 99,395     | P2 P6    | -2,970  |
| 3158405 |       | 2,420,119  | 2,410,758  | C1 C2 P1 | 9,361   |
| 2415887 |       | 100,341    | 100,341    |          | 0       |
| 3139868 | 16144 | 128,263    | 128,263    |          | 0       |
| 3139189 |       | 170,048    | 170,048    |          | 0       |
| 0297089 |       | 130,265    | 130,265    |          | 0       |
| 0189014 |       | 194,633    | 194,272    | P5       | 361     |
| 0698016 |       | 484,532    | 484,532    |          | 0       |
| 2345234 |       | 26,418     | 26,418     |          | 0       |
| 0952370 |       | 384,225    | 384,225    |          | 0       |
| 2337177 |       | 767,497    | 767,497    |          | 0       |
| 0749834 | 16446 | 674,533    | 674,533    |          | 0       |
| 0920797 | 16470 | 3,641,815  | 3,641,815  |          | 0       |
| 0915459 |       | 850,280    | 850,280    |          | 0       |
| 2882981 | 16586 | 1,543,445  | 1,543,445  |          | 0       |
| 2996952 |       | 23,927,583 | 23,922,515 | P5       | 5,068   |
| 1045881 | 16853 | 1,218,947  | 1,219,389  | P5       | -442    |
| 0387827 | 17035 | 7,355,915  | 7,355,915  |          | 0       |
| 2900173 | 17124 | 694,668    | 694,668    |          | 0       |
| 2746085 |       | 1,282,579  | 1,282,579  |          | 0       |
| 0493210 |       | 108,142    | 108,142    |          | 0       |
| 1928007 | 17256 | 17,618     | 17,618     |          | 0       |
| 1737236 |       | 63,958     | 63,958     |          | 0       |
| 1847090 |       | 103,179    | 106,700    | P6       | -3,521  |
| 2174537 |       | 123,271    | 123,696    | P2       | -425    |
| 3143774 |       | 84,431     | 84,431     |          | 0       |
| 2087235 | 17469 | 93,330     | 93,330     | C5       | 0       |
| 0837156 |       | 905,994    | 905,994    |          | 0       |
| 0237205 | 18147 | 434,086    | 434,086    |          | 0       |
| 1136895 |       | 2,167,558  | 2,167,558  |          | 0       |
| 1152904 |       | 466,346    | 467,140    | P5       | -794    |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

|         |       |            |            |          |          |
|---------|-------|------------|------------|----------|----------|
| 1009893 | 18147 | 1,346,102  | 1,345,294  | P5       | 808      |
| 1391224 | 18244 | 255,314    | 210,153    | P5       | 45,161   |
| 1813340 |       | 128,933    | 128,933    |          | 0        |
| 1301853 |       | 1,044,889  | 1,044,889  |          | 0        |
| 3153711 |       | 232,711    | 232,711    |          | 0        |
| 0984922 |       | 1,624,853  | 1,744,755  | C2 P2    | -119,902 |
| 2577267 |       | 310,212    | 310,212    |          | 0        |
| 0896608 |       | 138,494    | 138,494    |          | 0        |
| 2450119 | 19968 | 1,456,649  | 1,456,649  |          | 0        |
| 1196596 | 20605 | 2,228,737  | 2,228,737  |          | 0        |
| 0616176 | 22799 | 1,913,275  | 1,913,275  | C1       | 0        |
| 0673846 |       | 1,574,478  | 1,573,751  | P2 P5    | 727      |
| 0294373 |       | 1,343,438  | 1,340,860  | C5 P6    | 2,578    |
| 0553646 |       | 187,582    | 171,799    | P1 P5    | 15,783   |
| 0202126 |       | 275,164    | 275,164    |          | 0        |
| 2245140 |       | 82,773     | 82,773     | C1       | 0        |
| 2273756 |       | 305,413    | 305,413    | C1 C5    | 0        |
| 3067823 |       | 185,852    | 185,852    | C5       | 0        |
| 1943804 |       | 1,077,015  | 1,077,015  |          | 0        |
| 1993984 |       | 951,293    | 948,733    | P5       | 2,560    |
| 0623431 |       | 11,045,130 | 11,045,130 |          | 0        |
| 2729881 |       | 1,321,086  | 1,323,674  | C1 P2 P5 | -2,588   |
| 2967677 |       | 216,754    | 216,588    | P6       | 166      |
| 1968092 |       | 1,482,462  | 1,482,462  |          | 0        |
| 0196134 |       | 627,889    | 627,889    |          | 0        |
| 3157255 |       | 339,003    | 331,000    | P5 P7    | 8,003    |
| 0428744 | 27669 | 736,600    | 736,600    |          | 0        |
| 0650072 | 29734 | 2,256,931  | 2,254,289  | P6       | 2,642    |
| 0897361 |       | 211,618    | 211,618    |          | 0        |
| 2247178 |       | 920,182    | 920,182    |          | 0        |
| 3141376 |       | 18,287,029 | 18,287,029 |          | 0        |
| 0288543 |       | 6,374,443  | 6,374,443  |          | 0        |
| 0193097 |       | 3,461,001  | 3,461,001  |          | 0        |
| 0457450 |       | 2,250,245  | 2,250,252  | P6       | -7       |
| 0467367 |       | 998,810    | 932,652    | P5       | 66,158   |
| 1457160 |       | 16,160,727 | 16,160,727 |          | 0        |

Total Test Audit Payroll : **241,752,205**

Total Company Audit Payroll : **241,283,141**

Total Payroll Difference : **469,064**

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>2</b>        |                   |                   |                           |                              |                       |                                 |
|                 | 0834939           | 10960             | 416,359                   | 416,723                      | P2                    | -364                            |
|                 | 0242160           |                   | 789,944                   | 789,944                      |                       | 0                               |
|                 | 2627272           | 11363             | 219,529                   | 305,000                      | P2 P6                 | -85,471                         |
|                 | 0173215           | 12149             | 397,380                   | 474,357                      | C5 P1 P2 P3           | -76,977                         |
|                 | 1114506           | 12807             | 46,532                    | 53,812                       | P1                    | -7,280                          |
|                 | 0904821           | 12998             | 795,696                   | 795,696                      |                       | 0                               |
|                 | 0278963           |                   | 1,906,770                 | 1,906,770                    |                       | 0                               |
|                 | 1754440           |                   | 1,918,478                 | 1,918,478                    |                       | 0                               |
|                 | 1458558           |                   | 407,374                   | 406,528                      | P5                    | 846                             |
|                 | 1288903           |                   | 401,531                   | 401,531                      |                       | 0                               |
|                 | 2371529           | 13269             | 294,906                   | 303,411                      | C2 P6                 | -8,505                          |
|                 | 3058557           |                   | 105,623                   | 107,749                      | P3 P6                 | -2,126                          |
|                 | 3130004           |                   | 812,864                   | 822,626                      | C5 P3 P6              | -9,762                          |
|                 | 3128657           |                   | 136,801                   | 137,220                      | P1 P6                 | -419                            |
|                 | 1271814           | 13668             | 713,167                   | 745,118                      | P2                    | -31,951                         |
|                 | 2407230           | 13706             | 445,733                   | 445,733                      |                       | 0                               |
|                 | 0984183           | 14397             | 720,832                   | 578,863                      | P5                    | 141,969                         |
|                 | 3020843           |                   | 62,100                    | 62,100                       |                       | 0                               |
|                 | 1735209           | 14451             | 81,398                    | 81,398                       |                       | 0                               |
|                 | 1428454           | 14842             | 302,698                   | 302,698                      |                       | 0                               |
|                 | 1621092           |                   | 968,106                   | 1,253,110                    | P1                    | -285,004                        |
|                 | 0467235           |                   | 39,640                    | 39,640                       |                       | 0                               |
|                 | 3181123           |                   | 213,791                   | 217,696                      | P5                    | -3,905                          |
|                 | 0163414           |                   | 122,507                   | 119,235                      | P6                    | 3,272                           |
|                 | 0092967           |                   | 127,592                   | 127,342                      | P6                    | 250                             |
|                 | 2420970           |                   | 240,382                   | 259,134                      | C1 P4 P6              | -18,752                         |
|                 | 3128806           |                   | 26,990                    | 64,287                       | P6                    | -37,297                         |
|                 | 1307657           | 14974             | 117,946                   | 280,255                      | C1 P5                 | -162,309                        |
|                 | 0335185           |                   | 963,451                   | 975,200                      | C1 C5 P1              | -11,749                         |
|                 | 2309718           | 15385             | 1,848,817                 | 1,848,817                    |                       | 0                               |
|                 | 0121533           |                   | 876,913                   | 876,913                      |                       | 0                               |
|                 | 0224790           |                   | 1,085,969                 | 1,085,969                    |                       | 0                               |
|                 | 2061015           |                   | 530,756                   | 530,756                      |                       | 0                               |
|                 | 1035835           | 15571             | 447,632                   | 439,624                      | C1 P4 P6              | 8,008                           |
|                 | 2478854           |                   | 709,815                   | 710,371                      | P2                    | -556                            |
|                 | 2581922           |                   | 542,757                   | 551,331                      | P7                    | -8,574                          |
|                 | 1452282           | 15873             | 119,016                   | 120,717                      | P6                    | -1,701                          |
|                 | 0959600           |                   | 351,228                   | 348,958                      | C5 P5                 | 2,270                           |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

|         |       |            |            |          |         |
|---------|-------|------------|------------|----------|---------|
| 2502410 | 15873 | 277,417    | 277,417    |          | 0       |
| 2804794 |       | 216,711    | 216,711    | C1       | 0       |
| 2796694 |       | 143,217    | 143,217    |          | 0       |
| 2365251 |       | 222,999    | 220,900    | P6       | 2,099   |
| 0369527 | 16470 | 2,465,485  | 2,465,485  |          | 0       |
| 0320102 |       | 1,045,278  | 1,045,278  | C5       | 0       |
| 0089613 |       | 3,244,992  | 3,287,110  | P1 P2 P4 | -42,118 |
| 0660620 | 16853 | 2,177,103  | 2,177,103  |          | 0       |
| 0379778 |       | 1,117,700  | 1,117,700  |          | 0       |
| 3159615 | 17124 | 475,861    | 489,326    | P1 P3    | -13,465 |
| 2022354 |       | 40,236     | 36,162     | P5       | 4,074   |
| 1277642 |       | 21,862     | 21,862     |          | 0       |
| 0519634 |       | 829,707    | 826,589    | P2 P5    | 3,118   |
| 1392956 |       | 191,019    | 190,921    | P6       | 98      |
| 0285579 | 17256 | 104,150    | 104,326    | C5 P6    | -176    |
| 0780375 |       | 362,080    | 362,549    | P6       | -469    |
| 2126931 |       | 172,556    | 171,041    | C5       | 1,515   |
| 2797291 |       | 617,271    | 617,271    |          | 0       |
| 2656671 |       | 448,519    | 431,182    | P6       | 17,337  |
| 2814102 |       | 239,675    | 239,675    |          | 0       |
| 2501058 |       | 364,013    | 364,013    |          | 0       |
| 2528223 |       | 266,625    | 266,625    |          | 0       |
| 3051226 |       | 80,078     | 80,078     |          | 0       |
| 2185458 |       | 35,809     | 35,077     | P6       | 732     |
| 0311863 |       | 191,590    | 190,564    | P6       | 1,026   |
| 0272825 |       | 244,289    | 250,791    | P6       | -6,502  |
| 2296918 |       | 346,875    | 346,875    |          | 0       |
| 2795612 |       | 64,832     | 64,832     |          | 0       |
| 0094382 |       | 2,043,727  | 2,043,727  | C5       | 0       |
| 0219584 |       | 4,252,961  | 4,252,555  | C1 P2    | 406     |
| 1804677 |       | 3,679,985  | 3,679,985  |          | 0       |
| 0970662 |       | 24,648,084 | 23,678,763 | P5       | 969,321 |
| 0091260 |       | 23,746,028 | 23,746,028 |          | 0       |
| 3155434 |       | 156,051    | 156,051    |          | 0       |
| 0030473 |       | 13,547,131 | 13,546,491 | C3 C5 P6 | 640     |
| 3135552 |       | 2,270,137  | 2,177,757  | C5 P5    | 92,380  |
| 3128016 |       | 132,807    | 132,807    |          | 0       |
| 0282456 |       | 12,647,727 | 12,614,412 | C1 P2    | 33,315  |
| 2573725 |       | 3,043,267  | 3,043,267  | C5       | 0       |
| 0820539 |       | 431,745    | 407,646    | C2 P4    | 24,099  |
| 0657662 |       | 26,910,423 | 26,906,423 | P1       | 4,000   |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

|         |       |           |           |          |          |
|---------|-------|-----------|-----------|----------|----------|
| 2614367 | 17744 | 76,140    | 136,422   | P1       | -60,282  |
| 2268728 | 18147 | 325,188   | 325,188   |          | 0        |
| 2173646 | 18244 | 120,601   | 120,601   |          | 0        |
| 1791516 |       | 888,671   | 888,671   |          | 0        |
| 0888664 |       | 740,907   | 740,907   |          | 0        |
| 2884410 |       | 62,304    | 62,304    |          | 0        |
| 0011819 |       | 611,385   | 611,385   |          | 0        |
| 0024210 |       | 196,570   | 196,570   |          | 0        |
| 3058565 | 20605 | 6,619,780 | 6,426,043 | C1 P7    | 193,737  |
| 2279983 |       | 936,843   | 1,380,000 | P1 P5    | -443,157 |
| 0318515 | 22799 | 224,559   | 220,200   | C3 P6    | 4,359    |
| 0015539 |       | 1,404,871 | 1,431,511 | C2 C5 P2 | -26,640  |
| 1725459 |       | 200,807   | 200,807   |          | 0        |
| 0097489 |       | 318,514   | 318,514   |          | 0        |
| 0030953 |       | 164,048   | 164,048   | C1       | 0        |
| 0892173 |       | 415,244   | 400,049   | P1 P2 P4 | 15,195   |
| 0064726 |       | 513,502   | 513,929   | C2 P2    | -427     |
| 2024039 |       | 748,782   | 746,711   | P5       | 2,071    |
| 0304212 |       | 1,517,063 | 1,516,864 | C1 P2    | 199      |
| 0100366 |       | 108,561   | 109,560   | P1       | -999     |
| 0212806 |       | 148,264   | 148,264   |          | 0        |
| 0133272 |       | 303,415   | 301,954   | P2 P6    | 1,461    |
| 2080052 |       | 108,764   | 108,764   | C5       | 0        |
| 0374636 |       | 662,599   | 631,713   | C1 P4    | 30,886   |
| 2367793 |       | 54,643    | 54,643    |          | 0        |
| 2080079 |       | 167,320   | 94,990    | P6 P7    | 72,330   |
| 2807432 |       | 131,057   | 131,057   |          | 0        |
| 2695430 |       | 73,888    | 62,440    | P5       | 11,448   |
| 2381699 |       | 4,150     | 6,150     | P5       | -2,000   |
| 1087223 |       | 103,750   | 103,276   | C1 P5    | 474      |
| 2174960 |       | 219,640   | 219,640   | C5       | 0        |
| 2692635 |       | 732,921   | 732,921   | C5       | 0        |
| 0655813 |       | 98,763    | 86,849    | P6       | 11,914   |
| 2320312 |       | 157,395   | 157,395   |          | 0        |
| 2867605 |       | 308,289   | 308,289   |          | 0        |
| 2246333 |       | 104,023   | 134,205   | P4 P6    | -30,182  |
| 2908530 |       | 62,444    | 63,779    | P5       | -1,335   |
| 2943336 |       | 2,556,988 | 2,556,988 |          | 0        |
| 0454958 |       | 185,281   | 181,447   | P5       | 3,834    |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **176,204,979**

Total Company Audit Payroll : **175,926,750**

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Total Payroll Difference : **278,229**



**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>3</b>        |                   |                   |                           |                              |                       |                                 |
|                 | 3154840           | 10243             | 1,593,842                 | 1,603,202                    | P1                    | -9,360                          |
|                 | 0189901           |                   | 1,536,389                 | 1,536,389                    | C5                    | 0                               |
|                 | 2112825           |                   | 760,798                   | 764,788                      | C1 C5 P2              | -3,990                          |
|                 | 2929856           |                   | 6,186,965                 | 6,565,377                    | C1 P6                 | -378,412                        |
|                 | 0394122           |                   | 2,708,220                 | 2,708,220                    | C5                    | 0                               |
|                 | 0481211           |                   | 19,809,040                | 20,046,433                   | P1                    | -237,393                        |
|                 | 0516147           |                   | 1,277,448                 | 1,279,598                    | P2                    | -2,150                          |
|                 | 1036289           |                   | 3,178,781                 | 3,164,919                    | P2 P5                 | 13,862                          |
|                 | 0558125           |                   | 742,415                   | 742,493                      | P2                    | -78                             |
|                 | 0896195           |                   | 2,208,242                 | 2,208,242                    | C2                    | 0                               |
|                 | 0943339           |                   | 274,790                   | 347,850                      | C5 P1                 | -73,060                         |
|                 | 0637645           | 10863             | 782,494                   | 844,952                      | P6                    | -62,458                         |
|                 | 0948233           |                   | 3,121,382                 | 3,121,382                    |                       | 0                               |
|                 | 3167496           |                   | 1,530,597                 | 1,530,597                    | C5                    | 0                               |
|                 | 3159206           |                   | 3,972,256                 | 3,972,256                    |                       | 0                               |
|                 | 2044293           |                   | 5,544,337                 | 5,726,757                    | C5 P1                 | -182,420                        |
|                 | 1452509           |                   | 21,527,335                | 21,486,740                   | P6                    | 40,595                          |
|                 | 0735442           |                   | 6,322,637                 | 6,322,637                    |                       | 0                               |
|                 | 1719408           | 10960             | 1,403,787                 | 1,378,213                    | P5                    | 25,574                          |
|                 | 3140774           | 11509             | 226,732                   | 226,732                      |                       | 0                               |
|                 | 1435167           | 12440             | 836,353                   | 836,353                      |                       | 0                               |
|                 | 1788922           |                   | 239,087                   | 239,855                      | P2                    | -768                            |
|                 | 2381940           |                   | 761,259                   | 761,259                      |                       | 0                               |
|                 | 1409565           |                   | 257,851                   | 257,851                      |                       | 0                               |
|                 | 1218654           |                   | 195,288                   | 195,570                      | P6                    | -282                            |
|                 | 2579677           |                   | 349,150                   | 329,428                      | P6                    | 19,722                          |
|                 | 0108944           |                   | 1,492,920                 | 1,492,920                    | C1                    | 0                               |
|                 | 2599732           |                   | 104,257                   | 104,257                      | C2 C5                 | 0                               |
|                 | 0135127           |                   | 4,673,316                 | 4,252,551                    | P1 P2 P5              | 420,765                         |
|                 | 2843374           |                   | 659,100                   | 659,100                      |                       | 0                               |
|                 | 0593745           |                   | 361,402                   | 361,802                      | P6                    | -400                            |
|                 | 1359568           |                   | 123,788                   | 123,788                      |                       | 0                               |
|                 | 0974366           |                   | 865,624                   | 865,624                      |                       | 0                               |
|                 | 0424102           |                   | 848,373                   | 850,656                      | C2 P4                 | -2,283                          |
|                 | 0914363           |                   | 413,843                   | 413,843                      |                       | 0                               |
|                 | 0463094           | 12890             | 2,934,142                 | 2,934,142                    |                       | 0                               |
|                 | 0902225           |                   | 4,303,365                 | 4,303,365                    |                       | 0                               |
|                 | 0472956           | 13706             | 2,964,264                 | 2,964,264                    |                       | 0                               |
|                 | 0298603           |                   | 30,781,387                | 30,781,387                   |                       | 0                               |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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|         |       |            |            |       |         |
|---------|-------|------------|------------|-------|---------|
| 0329061 | 13706 | 12,602,930 | 12,602,930 |       | 0       |
| 0919179 |       | 267,490    | 256,376    | P6    | 11,114  |
| 1302590 |       | 2,633,264  | 2,633,264  |       | 0       |
| 3077926 |       | 588,406    | 588,406    |       | 0       |
| 0176907 |       | 2,358,163  | 2,358,163  |       | 0       |
| 2447347 | 13765 | 1,742,488  | 1,742,488  |       | 0       |
| 0521191 | 14397 | 997,159    | 997,159    |       | 0       |
| 2279185 | 14842 | 223,579    | 223,579    |       | 0       |
| 3100880 |       | 515,108    | 514,000    | P5    | 1,108   |
| 0456063 |       | 98,960     | 98,960     |       | 0       |
| 1693026 |       | 590,899    | 590,899    |       | 0       |
| 0065463 |       | 1,277,697  | 1,277,697  |       | 0       |
| 1017900 |       | 146,505    | 146,505    |       | 0       |
| 0094676 |       | 468,714    | 468,714    |       | 0       |
| 1408518 | 14974 | 726,362    | 606,082    | P1 P6 | 120,280 |
| 3158756 |       | 973,210    | 858,300    | P1 P4 | 114,910 |
| 3142879 |       | 15,439     | 17,443     | P1    | -2,004  |
| 0835340 | 15571 | 863,387    | 947,879    | P5    | -84,492 |
| 0525910 |       | 547,671    | 547,671    |       | 0       |
| 2828570 |       | 489,968    | 489,968    |       | 0       |
| 3114493 |       | 2,060,921  | 2,060,921  |       | 0       |
| 0103985 |       | 31,007,664 | 31,007,664 |       | 0       |
| 1794795 | 15865 | 49,910     | 49,910     |       | 0       |
| 0951099 |       | 1,310,961  | 1,310,961  |       | 0       |
| 0454320 |       | 371,760    | 371,760    |       | 0       |
| 3185156 |       | 1,655,496  | 1,655,496  |       | 0       |
| 0900397 |       | 696,151    | 696,151    |       | 0       |
| 0673951 |       | 648,508    | 648,508    |       | 0       |
| 0321834 |       | 2,062,779  | 2,062,779  |       | 0       |
| 1064290 |       | 181,125    | 181,125    |       | 0       |
| 0711926 |       | 524,961    | 524,961    |       | 0       |
| 1932411 |       | 647,983    | 647,983    |       | 0       |
| 0044288 |       | 278,456    | 278,456    |       | 0       |
| 1417975 |       | 388,347    | 388,347    |       | 0       |
| 0370509 |       | 825,087    | 825,087    |       | 0       |
| 1933116 |       | 198,992    | 198,992    |       | 0       |
| 0001040 |       | 1,539,208  | 1,539,208  |       | 0       |
| 0207586 |       | 908,530    | 908,530    |       | 0       |
| 1787128 | 15873 | 214,828    | 217,827    | P6    | -2,999  |
| 2435047 |       | 94,484     | 94,484     |       | 0       |
| 2270668 |       | 30,401     | 30,401     |       | 0       |

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MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2005 - December 31, 2005

|         |       |            |            |          |         |
|---------|-------|------------|------------|----------|---------|
| 2904349 | 15873 | 46,327     | 46,667     | P5       | -340    |
| 2981556 |       | 111,823    | 100,103    | P6       | 11,720  |
| 1785354 |       | 411,130    | 411,130    |          | 0       |
| 0339032 |       | 117,844    | 138,100    | P5       | -20,256 |
| 1909363 | 16446 | 266,947    | 266,947    |          | 0       |
| 1031988 |       | 253,513    | 253,513    |          | 0       |
| 0059897 |       | 734,678    | 734,678    |          | 0       |
| 1462598 |       | 2,210,273  | 2,210,273  |          | 0       |
| 0042242 |       | 139,672    | 139,672    |          | 0       |
| 0681792 |       | 975,315    | 975,315    |          | 0       |
| 0771775 |       | 917,282    | 917,282    |          | 0       |
| 2706890 |       | 518,223    | 518,223    |          | 0       |
| 1273655 |       | 275,857    | 275,857    |          | 0       |
| 1086383 |       | 1,135,889  | 1,135,889  |          | 0       |
| 0512788 |       | 3,172,512  | 3,172,512  |          | 0       |
| 1758314 |       | 1,555,394  | 1,555,394  |          | 0       |
| 0575224 | 16470 | 1,779,075  | 1,783,774  | P2 P4 P5 | -4,699  |
| 1119214 | 16985 | 147,499    | 157,126    | P5       | -9,627  |
| 1420810 |       | 105,337    | 101,192    | C3 P3 P6 | 4,145   |
| 3014401 |       | 512,004    | 422,936    | C5 P1    | 89,068  |
| 3100839 |       | 67,169     | 67,169     |          | 0       |
| 2287110 |       | 512,930    | 511,746    | C1 P2    | 1,184   |
| 3159840 |       | 198,225    | 196,310    | P6       | 1,915   |
| 0586463 |       | 294,516    | 294,516    |          | 0       |
| 2161540 |       | 115,270    | 115,270    |          | 0       |
| 0717282 | 17256 | 106,055    | 98,200     | P6       | 7,855   |
| 0271179 |       | 133,938    | 133,824    | C1 P6    | 114     |
| 2262401 |       | 606,886    | 506,421    | P1 P6    | 100,465 |
| 1783726 |       | 197,319    | 180,652    | P6       | 16,667  |
| 2920840 |       | 20,800     | 20,800     |          | 0       |
| 2618389 |       | 130,982    | 130,982    |          | 0       |
| 2185342 |       | 98,383     | 98,383     |          | 0       |
| 0236829 |       | 4,435,596  | 4,435,596  |          | 0       |
| 1954865 |       | 96,606     | 96,606     |          | 0       |
| 3137353 |       | 65,583     | 65,583     |          | 0       |
| 1121367 |       | 2,467,235  | 2,467,235  |          | 0       |
| 2420694 |       | 184,506    | 184,506    |          | 0       |
| 2585162 |       | 134,732    | 136,408    | C1 C5 P6 | -1,676  |
| 0957739 |       | 1,153,646  | 1,153,646  |          | 0       |
| 0231860 |       | 15,222,357 | 15,222,357 |          | 0       |
| 3180431 |       | 851,543    | 852,283    | P5       | -740    |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

|         |       |           |           |          |          |
|---------|-------|-----------|-----------|----------|----------|
| 1274910 |       | 41,127    | 41,127    |          | 0        |
| 3070530 |       | 1,745,963 | 1,745,963 | C5       | 0        |
| 0048585 | 17469 | 1,088,201 | 1,308,687 | P5       | -220,486 |
| 2116731 |       | 2,352,468 | 1,617,283 | P5       | 735,185  |
| 0505986 |       | 1,693,545 | 1,693,545 |          | 0        |
| 0722340 |       | 348,521   | 348,521   |          | 0        |
| 3185715 |       | 212,234   | 212,234   |          | 0        |
| 0066583 |       | 2,160,570 | 2,160,570 | C5       | 0        |
| 0268712 |       | 2,406,555 | 2,406,555 |          | 0        |
| 0126918 |       | 863,031   | 863,031   |          | 0        |
| 1431307 |       | 189,037   | 210,100   | P5       | -21,063  |
| 2800721 | 17744 | 5,059,256 | 5,170,267 | P2       | -111,011 |
| 3127799 | 18147 | 149,747   | 149,747   |          | 0        |
| 0461288 |       | 1,911,639 | 1,911,639 | C5       | 0        |
| 0691402 |       | 364,536   | 364,536   | C1 C5    | 0        |
| 1772015 |       | 250,546   | 250,546   |          | 0        |
| 1776959 |       | 102,511   | 102,511   |          | 0        |
| 0703869 |       | 435,729   | 437,763   | P4       | -2,034   |
| 0377872 |       | 850,916   | 743,796   | P1 P2 P6 | 107,120  |
| 3097242 |       | 217,288   | 217,288   | C5       | 0        |
| 0301957 |       | 357,510   | 332,526   | C5 P5    | 24,984   |
| 0761990 |       | 347,365   | 347,365   |          | 0        |
| 2084597 |       | 210,876   | 210,876   |          | 0        |
| 0045420 |       | 252,664   | 252,664   | C5       | 0        |
| 0396613 |       | 1,027,620 | 1,027,620 |          | 0        |
| 2840120 |       | 144,262   | 144,262   |          | 0        |
| 1747088 |       | 312,310   | 312,310   | C5       | 0        |
| 2937140 |       | 516,070   | 514,815   | P2       | 1,255    |
| 0647390 |       | 1,964,905 | 1,875,129 | C5 P3 P6 | 89,776   |
| 2492466 | 20605 | 404,653   | 404,653   |          | 0        |
| 0194247 | 22799 | 227,636   | 227,403   | C1 C5 P5 | 233      |
| 0583065 |       | 135,276   | 147,276   | P6       | -12,000  |
| 0929670 | 24759 | 311,211   | 311,211   |          | 0        |
| 3034631 |       | 370,112   | 370,112   |          | 0        |
| 2982544 |       | 141,716   | 141,716   |          | 0        |
| 0684058 |       | 574,101   | 574,101   |          | 0        |
| 1255606 |       | 759,480   | 759,480   |          | 0        |
| 2143348 |       | 127,109   | 126,447   | P5       | 662      |
| 1441868 | 27669 | 156,124   | 156,124   |          | 0        |
| 2835533 |       | 692,625   | 692,625   |          | 0        |
| 0003417 |       | 209,376   | 209,376   |          | 0        |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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|         |       |           |           |    |         |
|---------|-------|-----------|-----------|----|---------|
| 3160240 | 27669 | 82,971    | 144,668   | P6 | -61,697 |
| 1499246 |       | 3,339,453 | 3,339,453 |    | 0       |
| 2567156 | 29734 | 171,803   | 171,803   |    | 0       |
| 2883317 |       | 414,598   | 414,598   |    | 0       |

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|                               |  |                    |  |  |  |
|-------------------------------|--|--------------------|--|--|--|
| Total Test Audit Payroll :    |  | <b>289,873,324</b> |  |  |  |
| Total Company Audit Payroll : |  | <b>289,421,224</b> |  |  |  |

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|                            |  |                |  |  |  |
|----------------------------|--|----------------|--|--|--|
| Total Payroll Difference : |  | <b>452,100</b> |  |  |  |
|----------------------------|--|----------------|--|--|--|

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>4</b>        |                   |                   |                           |                              |                       |                                 |
|                 | 0068977           | 10243             | 763,876                   | 765,296                      | C5 P2                 | -1,420                          |
|                 | 0188298           |                   | 1,187,013                 | 1,057,731                    | P2 P6                 | 129,282                         |
|                 | 0102954           |                   | 4,960,162                 | 5,015,994                    | P1 P2 P6              | -55,832                         |
|                 | 1159348           |                   | 2,356,354                 | 2,356,354                    | C5                    | 0                               |
|                 | 0928577           |                   | 4,486,101                 | 4,383,045                    | C2 C5 P2 P6           | 103,056                         |
|                 | 2705150           |                   | 118,336                   | 118,336                      |                       | 0                               |
|                 | 0238406           |                   | 2,406,079                 | 2,418,412                    | C1 C5 P4              | -12,333                         |
|                 | 2001250           |                   | 1,285,261                 | 1,302,940                    | C5 P1 P2              | -17,679                         |
|                 | 2725657           |                   | 4,247,744                 | 4,628,346                    | C2 C5 P1 P4 P5        | -380,602                        |
|                 | 0215430           |                   | 2,175,498                 | 2,154,219                    | C3 P6                 | 21,279                          |
|                 | 0094439           |                   | 1,508,244                 | 1,500,477                    | P2                    | 7,767                           |
|                 | 0214078           |                   | 3,119,211                 | 3,112,224                    | C2 C5 P1 P6           | 6,987                           |
|                 | 3168040           |                   | 6,354,342                 | 5,514,222                    | P5                    | 840,120                         |
|                 | 1919660           |                   | 1,013,484                 | 1,026,465                    | C2 P6                 | -12,981                         |
|                 | 0808172           | 10863             | 1,318,822                 | 1,246,875                    | P1 P5                 | 71,947                          |
|                 | 1133284           |                   | 7,698,058                 | 7,838,354                    | P6                    | -140,296                        |
|                 | 0459364           |                   | 4,262,603                 | 4,890,891                    | C5 P5                 | -628,288                        |
|                 | 0020192           | 12440             | 81,552                    | 81,552                       |                       | 0                               |
|                 | 2904942           | 12890             | 119,704                   | 119,704                      |                       | 0                               |
|                 | 0948004           |                   | 7,093,154                 | 7,093,154                    |                       | 0                               |
|                 | 2832798           |                   | 2,985,885                 | 2,981,459                    | C5 P6                 | 4,426                           |
|                 | 2918714           |                   | 2,122,397                 | 2,105,355                    | P2 P4                 | 17,042                          |
|                 | 3163653           |                   | 4,632,699                 | 4,841,125                    | C5 P6                 | -208,426                        |
|                 | 0996467           | 13668             | 361,452                   | 363,446                      | P6                    | -1,994                          |
|                 | 0777862           | 13706             | 3,856,649                 | 3,856,649                    |                       | 0                               |
|                 | 1660411           | 14842             | 41,890                    | 59,361                       | P6                    | -17,471                         |
|                 | 1903870           |                   | 243,367                   | 240,181                      | P6                    | 3,186                           |
|                 | 2208709           |                   | 449,469                   | 422,663                      | C2 P6                 | 26,806                          |
|                 | 2363623           |                   | 2,315,157                 | 2,133,718                    | C5 P4                 | 181,439                         |
|                 | 1818678           | 14974             | 307,565                   | 310,566                      | P4                    | -3,001                          |
|                 | 0823775           | 15571             | 1,211,573                 | 1,211,573                    |                       | 0                               |
|                 | 0283789           | 15865             | 1,322,654                 | 1,322,654                    |                       | 0                               |
|                 | 0804711           |                   | 467,687                   | 467,687                      |                       | 0                               |
|                 | 0960519           |                   | 543,331                   | 543,331                      |                       | 0                               |
|                 | 1887050           | 15873             | 23,073                    | 29,220                       | P6                    | -6,147                          |
|                 | 2483645           |                   | 73,995                    | 74,533                       | P2                    | -538                            |
|                 | 3134183           |                   | 275,166                   | 265,282                      | C5 P6                 | 9,884                           |
|                 | 3159963           |                   | 115,305                   | 133,515                      | P6                    | -18,210                         |
|                 | 0991570           | 16446             | 366,507                   | 366,507                      |                       | 0                               |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

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**Test Audits Completed January 1, 2005 - December 31, 2005**

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|         |       |           |           |             |         |
|---------|-------|-----------|-----------|-------------|---------|
| 0742775 | 16446 | 655,193   | 655,193   |             | 0       |
| 0567817 | 16470 | 2,311,904 | 2,311,904 |             | 0       |
| 0292222 | 17124 | 413,257   | 413,257   |             | 0       |
| 2942542 | 17256 | 172,664   | 147,970   | P6          | 24,694  |
| 0114391 |       | 3,079,956 | 3,078,586 | P2 P6       | 1,370   |
| 0040312 |       | 2,809,756 | 2,809,756 |             | 0       |
| 1749005 |       | 161,764   | 161,794   |             | -30     |
| 1003445 | 17469 | 1,177,588 | 1,177,588 |             | 0       |
| 0742970 |       | 293,532   | 293,532   |             | 0       |
| 0975737 |       | 1,181,312 | 1,181,312 |             | 0       |
| 2406420 | 18147 | 842,480   | 773,559   | C1 P1 P6    | 68,921  |
| 0557781 |       | 621,445   | 621,445   |             | 0       |
| 0492540 |       | 253,210   | 251,054   | P6          | 2,156   |
| 0272183 |       | 362,192   | 362,192   |             | 0       |
| 2427184 |       | 420,563   | 420,563   |             | 0       |
| 2905418 | 18244 | 729,879   | 729,879   |             | 0       |
| 1100920 |       | 692,640   | 692,640   | C2 C5       | 0       |
| 2583844 | 24759 | 749,665   | 749,665   |             | 0       |
| 0966258 |       | 372,139   | 390,859   | P6          | -18,720 |
| 0813192 |       | 43,353    | 43,353    |             | 0       |
| 0926469 |       | 1,475,344 | 1,484,705 | C2 C5 P1    | -9,361  |
| 3143387 |       | 882,246   | 882,479   | P2          | -233    |
| 0602205 |       | 219,111   | 244,144   | C5 P1 P6    | -25,033 |
| 0059757 | 27669 | 1,916,945 | 1,920,247 | C5 P2 P6    | -3,302  |
| 0412376 |       | 309,206   | 309,206   |             | 0       |
| 2959836 |       | 1,527,240 | 1,510,030 | C1 P2 P6    | 17,210  |
| 0809985 |       | 1,691,144 | 1,691,144 |             | 0       |
| 3145468 |       | 1,167,044 | 1,167,044 |             | 0       |
| 1447912 |       | 266,379   | 266,379   |             | 0       |
| 0063576 |       | 1,998,583 | 1,990,764 | C1 P1 P2    | 7,819   |
| 3157635 |       | 564,968   | 554,028   | P6          | 10,940  |
| 3142753 |       | 612,101   | 612,101   |             | 0       |
| 0395773 |       | 464,118   | 464,118   |             | 0       |
| 0164372 |       | 1,033,672 | 1,045,212 | P6          | -11,540 |
| 0153176 |       | 696,463   | 696,463   |             | 0       |
| 1806041 |       | 3,463,289 | 3,415,860 | C5 P1 P2 P6 | 47,429  |
| 0887692 |       | 523,208   | 523,208   | C5          | 0       |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **114,426,972**

Total Company Audit Payroll : **114,396,649**

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Total Payroll Difference : **30,323**



**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Voluntary Market**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **822,257,480**

Total Company Audit Payroll : **821,027,764**

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Total Payroll Difference : **1,229,716**

**Summary of Errors :**

| <u>Error</u> | <u>Count of Errors</u> | <u>Error</u> | <u>Count of Errors</u> |
|--------------|------------------------|--------------|------------------------|
| P1           | <b>39</b>              | C1           | <b>30</b>              |
| P2           | <b>45</b>              | C2           | <b>18</b>              |
| P3           | <b>8</b>               | C3           | <b>5</b>               |
| P4           | <b>16</b>              | C4           | <b>0</b>               |
| P5           | <b>56</b>              | C5           | <b>59</b>              |
| P6           | <b>82</b>              |              |                        |
| P7           | <b>6</b>               |              |                        |

Total Audits: **473**

Total Audits  
w/ Differences: **225**

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Percentage of  
Audits showing  
Differences: **47.6 %**

**Difference Reasons**

Payroll Differences:

- P1: Officer, partner, individual payroll limitations
- P2: Overtime Credit
- P3: No payroll verification
- P4: Rule IV payroll inclusions/exclusions
- P5: Mathematical - extension errors
- P6: All other differences
- P7: Accepting insured figures without an audit

Classification Differences:

- C1: Standard exceptions
- C2: Executive officers, partners, sole proprietors
- C3: Improper splitting of individuals payrolls
- C4: Change of claim on audit
- C5: All Other

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Assigned Risk Market - Mail Audits

Test Audits Completed January 1, 2005 - December 31, 2005

| <u>Quarter:</u>               | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-------------------------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>1</b>                      | 1464051           | 21466             | 735,472                   | 887,312                      | P5                    | -151,840                        |
|                               | 0430544           |                   | 399,040                   | 392,698                      | C1 P1                 | 6,342                           |
|                               | 2685728           |                   | 686,052                   | 686,052                      |                       | 0                               |
|                               | 0983560           |                   | 684,867                   | 684,867                      | C5                    | 0                               |
| Total Test Audit Payroll :    |                   |                   | <b>2,505,431</b>          |                              |                       |                                 |
| Total Company Audit Payroll : |                   |                   | <b>2,650,929</b>          |                              |                       |                                 |
| Total Payroll Difference :    |                   |                   | <b>(145,498)</b>          |                              |                       |                                 |

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Mail Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Mail". This will include all audits between the \$3,000 - \$10,000 range that are experience rated (only those flagged as "Mail" audits). This will not include audits with a premium greater than \$10,000.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Mail Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u>               | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-------------------------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>3</b>                      | 2451484           | 21466             | 261,101                   | 261,101                      |                       | 0                               |
|                               | 2586347           |                   | 670,150                   | 670,150                      |                       | 0                               |
|                               | 2889420           |                   | 201,302                   | 201,302                      |                       | 0                               |
|                               | 3005402           |                   | 95,010                    | 95,010                       |                       | 0                               |
| Total Test Audit Payroll :    |                   |                   | <b>1,227,563</b>          |                              |                       |                                 |
| Total Company Audit Payroll : |                   |                   | <b>1,227,563</b>          |                              |                       |                                 |
| Total Payroll Difference :    |                   |                   | <b>0</b>                  |                              |                       |                                 |

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Mail Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Mail". This will include all audits between the \$3,000 - \$10,000 range that are experience rated (only those flagged as "Mail" audits). This will not include audits with a premium greater than \$10,000.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Mail Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>4</b>        | 1296710           | 21466             | 397,420                   | 397,230                      | C5 P5                 | 190                             |
|                 | 1179578           |                   | 443,747                   | 443,747                      |                       | 0                               |
|                 | 1820532           |                   | 233,002                   | 235,788                      | C3 C5 P6              | -2,786                          |
|                 | 1462385           |                   | 8,944                     | 9,049                        | P2                    | -105                            |
|                 | 0993646           |                   | 177,573                   | 177,573                      |                       | 0                               |
|                 | 2266490           |                   | 42,761                    | 42,761                       |                       | 0                               |
|                 | 2459361           |                   | 2,383,439                 | 2,562,232                    | P1                    | -178,793                        |
|                 | 2479214           |                   | 170,136                   | 235,245                      | P1                    | -65,109                         |
|                 | 2556626           |                   | 53,212                    | 103,729                      | P1                    | -50,517                         |
|                 | 1933566           |                   | 181,462                   | 181,044                      | P6                    | 418                             |
|                 | 2564920           |                   | 39,399                    | 39,399                       |                       | 0                               |
|                 | 1724630           |                   | 924,979                   | 924,979                      |                       | 0                               |
|                 | 1185209           |                   | 210,483                   | 272,746                      | P1                    | -62,263                         |
|                 | 1046926           |                   | 193,444                   | 195,457                      | P1 P6                 | -2,013                          |
|                 | 1207032           |                   | 240,752                   | 215,589                      | P1 P6                 | 25,163                          |
|                 | 2901889           |                   | 73,058                    | 73,058                       |                       | 0                               |
|                 | 2996391           |                   | 41,600                    | 41,600                       |                       | 0                               |
|                 | 3110094           |                   | 28,495                    | 28,495                       |                       | 0                               |
|                 | 1339257           |                   | 331,533                   | 303,052                      | P4 P6                 | 28,481                          |
|                 | 1230883           |                   | 170,875                   | 170,875                      | C5                    | 0                               |
|                 | 2444607           |                   | 136,640                   | 61,433                       | C3 P6                 | -75,207                         |
|                 | 2459477           |                   | 484,352                   | 484,352                      |                       | 0                               |
|                 | 2250624           |                   | 254,226                   | 254,226                      |                       | 0                               |
|                 | 2676273           |                   | 2,945,421                 | 2,886,861                    | P1                    | 58,560                          |
|                 | 2888726           |                   | 347,887                   | 358,912                      | P1                    | -11,025                         |
|                 | 2664330           |                   | 53,668                    | 53,668                       |                       | 0                               |
|                 | 2886898           |                   | 622,322                   | 680,993                      | P1                    | -58,671                         |
|                 | 3137484           |                   | 70,355                    | 86,965                       | P5                    | -16,610                         |
|                 | 1741675           |                   | 16,345                    | 16,345                       |                       | 0                               |
|                 | 2362880           |                   | 66,761                    | 79,560                       | P6                    | -12,799                         |
|                 | 1563386           |                   | 96,369                    | 68,475                       | C5 P1 P4              | 27,894                          |
|                 | 2677270           |                   | 26,235                    | 26,235                       |                       | 0                               |
|                 | 1343610           |                   | 38,202                    | 35,743                       | P6                    | 2,459                           |
|                 | 1073958           |                   | 876,868                   | 798,057                      | P1 P2                 | 78,811                          |
|                 | 2070103           |                   | 198,145                   | 193,808                      | C5 P2 P4              | 4,337                           |

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Mail Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **12,580,110**

Total Company Audit Payroll : **12,739,281**

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Total Payroll Difference : **(159,171)**

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Mail Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Mail". This will include all audits between the \$3,000 - \$10,000 range that are experience rated (only those flagged as "Mail" audits). This will not include audits with a premium greater than \$10,000.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Mail Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **16,313,104**

Total Company Audit Payroll : **16,617,773**

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Total Payroll Difference : **(304,669)**

**Summary of Errors :**

| <u>Error</u> | <u>Count of Errors</u> | <u>Error</u> | <u>Count of Errors</u> |
|--------------|------------------------|--------------|------------------------|
| P1           | <b>12</b>              | C1           | <b>1</b>               |
| P2           | <b>3</b>               | C2           | <b>0</b>               |
| P3           | <b>0</b>               | C3           | <b>2</b>               |
| P4           | <b>3</b>               | C4           | <b>0</b>               |
| P5           | <b>3</b>               | C5           | <b>6</b>               |
| P6           | <b>8</b>               |              |                        |
| P7           | <b>0</b>               |              |                        |

Total Audits: **43**

Total Audits  
w/ Differences: **25**

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Percentage of  
Audits showing  
Differences: **58.1 %**

**Difference Reasons**

Payroll Differences:

- P1: Officer, partner, individual payroll limitations
- P2: Overtime Credit
- P3: No payroll verification
- P4: Rule IV payroll inclusions/exclusions
- P5: Mathematical - extension errors
- P6: All other differences
- P7: Accepting insured figures without an audit

Classification Differences:

- C1: Standard exceptions
- C2: Executive officers, partners, sole proprietors
- C3: Improper splitting of individuals payrolls
- C4: Change of claim on audit
- C5: All Other

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Physical Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u>               | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-------------------------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>1</b>                      | 0629472           | 21466             | 203,247                   | 203,703                      | P5                    | -456                            |
|                               | 0358754           |                   | 322,843                   | 322,843                      |                       | 0                               |
|                               | 0686107           |                   | 872,034                   | 872,144                      | P5                    | -110                            |
|                               | 1413333           |                   | 466,212                   | 471,373                      | P5                    | -5,161                          |
|                               | 2466333           |                   | 289,563                   | 288,362                      | P5                    | 1,201                           |
|                               | 2586339           |                   | 726,625                   | 726,625                      | C5                    | 0                               |
|                               | 0932817           |                   | 174,956                   | 174,956                      |                       | 0                               |
|                               | 0307432           |                   | 1,447,203                 | 1,454,982                    | P5                    | -7,779                          |
|                               | 1215582           |                   | 182,974                   | 182,974                      |                       | 0                               |
|                               | 2587475           |                   | 389,374                   | 454,900                      | C1 P1 P2              | -65,526                         |
|                               | 0027731           |                   | 428,578                   | 428,578                      |                       | 0                               |
|                               | 3153746           |                   | 159,775                   | 158,238                      | P5                    | 1,537                           |
|                               | 0196363           |                   | 428,516                   | 430,523                      | C2 C5 P2 P6           | -2,007                          |
| Total Test Audit Payroll :    |                   |                   | <b>6,091,900</b>          |                              |                       |                                 |
| Total Company Audit Payroll : |                   |                   | <b>6,170,201</b>          |                              |                       |                                 |
| Total Payroll Difference :    |                   |                   | <b>(78,301)</b>           |                              |                       |                                 |

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Physical Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Physical". This will include audits in the > \$3,000 premium range and are experience rated.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.****Assigned Risk Market - Physical Audits****Test Audits Completed January 1, 2005 - December 31, 2005**

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| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>2</b>        | 0934798           | 21466             | 453,038                   | 432,856                      | C5 P6                 | 20,182                          |
|                 | 0640450           |                   | 978,965                   | 985,576                      | C5 P4                 | -6,611                          |
|                 | 0880450           |                   | 136,593                   | 136,593                      | C5                    | 0                               |
|                 | 0012882           |                   | 490,441                   | 490,441                      | C5                    | 0                               |
|                 | 0896357           |                   | 94,639                    | 85,638                       | P4                    | 9,001                           |
|                 | 0341614           |                   | 452,891                   | 454,000                      | C1 P7                 | -1,109                          |
|                 | 0774030           |                   | 946,464                   | 1,006,752                    | C1 P6 P7              | -60,288                         |
|                 | 0654957           |                   | 537,706                   | 540,581                      | P4                    | -2,875                          |
|                 | 0928224           |                   | 33,981                    | 31,443                       | P6                    | 2,538                           |
|                 | 2592649           |                   | 120,586                   | 120,586                      |                       | 0                               |
|                 | 2692937           |                   | 911,070                   | 627,829                      | P6                    | 283,241                         |
|                 | 2602113           |                   | 47,868                    | 47,868                       |                       | 0                               |
|                 | 0419826           |                   | 1,750,582                 | 1,754,073                    | P4                    | -3,491                          |
|                 | 3108934           |                   | 74,957                    | 74,957                       |                       | 0                               |
|                 | 0680923           |                   | 3,077,393                 | 3,079,153                    | P2                    | -1,760                          |
|                 | 2883236           |                   | 416,817                   | 416,817                      |                       | 0                               |
|                 | 0536245           |                   | 892,437                   | 823,516                      | P6                    | 68,921                          |
|                 | 0775886           |                   | 1,307,571                 | 1,307,571                    |                       | 0                               |
|                 | 2772302           |                   | 4,023,539                 | 4,023,539                    |                       | 0                               |
|                 | 0144576           |                   | 317,749                   | 319,119                      | P4                    | -1,370                          |
|                 | 0463248           |                   | 818,779                   | 818,779                      |                       | 0                               |
|                 | 2442566           |                   | 1,829,096                 | 1,829,096                    |                       | 0                               |
|                 | 0292494           |                   | 965,372                   | 959,592                      | P1 P6                 | 5,780                           |
|                 | 3013820           |                   | 276,058                   | 276,058                      |                       | 0                               |
|                 | 3137997           |                   | 798,022                   | 798,022                      |                       | 0                               |
|                 | 2784670           |                   | 126,769                   | 126,769                      |                       | 0                               |
|                 | 0630810           |                   | 134,958                   | 130,097                      | P7                    | 4,861                           |
|                 | 2252074           |                   | 367,970                   | 367,970                      |                       | 0                               |
|                 | 0782807           |                   | 445,266                   | 463,985                      | C2                    | -18,719                         |
|                 | 0203653           |                   | 1,000,123                 | 1,000,123                    | C5                    | 0                               |



**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Physical Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **23,827,700**

Total Company Audit Payroll : **23,529,399**

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Total Payroll Difference : **298,301**

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Physical Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Physical". This will include audits in the > \$3,000 premium range and are experience rated.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Physical Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>3</b>        | 2465523           | 21466             | 389,707                   | 389,707                      |                       | 0                               |
|                 | 2693623           |                   | 606,316                   | 606,316                      |                       | 0                               |
|                 | 3159672           |                   | 243,009                   | 243,009                      |                       | 0                               |
|                 | 2396904           |                   | 1,418,270                 | 1,418,270                    |                       | 0                               |
|                 | 2672715           |                   | 634,443                   | 634,443                      |                       | 0                               |
|                 | 3137991           |                   | 1,291,643                 | 1,291,643                    |                       | 0                               |

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Total Test Audit Payroll : **4,583,388**

Total Company Audit Payroll : **4,583,388**

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Total Payroll Difference : **0**

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Physical Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Physical". This will include audits in the > \$3,000 premium range and are experience rated.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Physical Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

| <u>Quarter:</u> | <u>AFN Number</u> | <u>Carrier ID</u> | <u>Test Audit Payroll</u> | <u>Company Audit Payroll</u> | <u>Reason Code(s)</u> | <u>Total Payroll Difference</u> |
|-----------------|-------------------|-------------------|---------------------------|------------------------------|-----------------------|---------------------------------|
| <b>4</b>        | 1208829           | 21466             | 832,695                   | 858,889                      | P6                    | -26,194                         |
|                 | 1316095           |                   | 5,998,498                 | 5,379,002                    | P6                    | 619,496                         |
|                 | 1456008           |                   | 87,079                    | 84,130                       | C5 P6                 | 2,949                           |
|                 | 1355775           |                   | 462,477                   | 466,504                      | P6                    | -4,027                          |
|                 | 2255170           |                   | 130,344                   | 130,344                      |                       | 0                               |
|                 | 2482541           |                   | 150,483                   | 122,882                      | P5                    | -27,601                         |
|                 | 2563266           |                   | 2,807,521                 | 2,807,521                    |                       | 0                               |
|                 | 1382268           |                   | 65,103                    | 83,459                       | P6                    | -18,356                         |
|                 | 2684314           |                   | 514,975                   | 514,975                      |                       | 0                               |
|                 | 2531232           |                   | 85,737                    | 39,319                       | P5                    | 46,418                          |
|                 | 1091395           |                   | 56,000                    | 56,000                       |                       | 0                               |
|                 | 3122398           |                   | 703,538                   | 703,538                      |                       | 0                               |
|                 | 3007090           |                   | 106,989                   | 106,989                      |                       | 0                               |
|                 | 2356961           |                   | 120,918                   | 120,918                      |                       | 0                               |
|                 | 2780542           |                   | 165,253                   | 165,253                      |                       | 0                               |
|                 | 1953656           |                   | 95,392                    | 95,392                       | C5                    | 0                               |
|                 | 3137021           |                   | 2,109,043                 | 2,109,043                    |                       | 0                               |
|                 | 3137529           |                   | 165,066                   | 165,066                      |                       | 0                               |
|                 | 2591910           |                   | 1,241,454                 | 1,241,454                    |                       | 0                               |
|                 | 0991406           |                   | 715,061                   | 807,598                      | P1 P2                 | -92,537                         |
|                 | 0104370           |                   | 1,627,345                 | 1,627,345                    |                       | 0                               |

Total Test Audit Payroll : **18,240,971**

Total Company Audit Payroll : **17,685,621**

Total Payroll Difference : **555,350**

\* The selection criteria for this report is based on a flag which indicates whether it is a "Physical" or a "Mail" audit. The audits shown in this "Assigned Risk Market - Physical Audits" report are those audits that were completed within the time frame indicated in the report header, which passed the data validation and have been flagged as "Physical". This will include audits in the > \$3,000 premium range and are experience rated.

**MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**

**Assigned Risk Market - Physical Audits**

**Test Audits Completed January 1, 2005 - December 31, 2005**

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Total Test Audit Payroll : **52,743,959**

Total Company Audit Payroll : **51,968,609**

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Total Payroll Difference : **775,350**

**Summary of Errors :**

| Error | Count of Errors | Error | Count of Errors |
|-------|-----------------|-------|-----------------|
| P1    | <b>3</b>        | C1    | <b>3</b>        |
| P2    | <b>4</b>        | C2    | <b>2</b>        |
| P3    | <b>0</b>        | C3    | <b>0</b>        |
| P4    | <b>5</b>        | C4    | <b>0</b>        |
| P5    | <b>8</b>        | C5    | <b>9</b>        |
| P6    | <b>12</b>       |       |                 |
| P7    | <b>3</b>        |       |                 |

Total Audits: **70**

Total Audits  
w/ Differences: **36**

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Percentage of  
Audits showing  
Differences: **51.4 %**

**Difference Reasons**

Payroll Differences:

- P1: Officer, partner, individual payroll limitations
- P2: Overtime Credit
- P3: No payroll verification
- P4: Rule IV payroll inclusions/exclusions
- P5: Mathematical - extension errors
- P6: All other differences
- P7: Accepting insured figures without an audit

Classification Differences:

- C1: Standard exceptions
- C2: Executive officers, partners, sole proprietors
- C3: Improper splitting of individuals payrolls
- C4: Change of claim on audit
- C5: All Other