



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

January 25, 2012

ALL ASSOCIATION MEMBERS

Circular Letter No. 12-1608

RE: 2011 Test Audit Summary Report

Attached are the summary sheets showing the results of the 2011 Test Audit Program by the Minnesota Workers' Compensation Insurers Association, Inc. For your convenience, the report lists all test audits completed between January 1, 2011 and December 31, 2011, and is sorted by carrier ID in the voluntary and assigned risk markets.

If you have any questions regarding this report, please contact Jeff Kvam, Underwriting Supervisor, at 952-897-6414 or by emailing jeff.kvam@mwcia.org.

MWCIA

Test Audit Program



Voluntary Market

Test Audits completed January 1, 2011 - December 31, 2011

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

Qtr: 1	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	0874981	10170	64,772	64,772		0
	1755587	10243	573,448	573,448		0
	3186689	10316	677,668	677,668		0
	2804999		477,997	477,997		0
	1158872		511,983	511,983		0
	0651125		74,846	74,846		0
	0591939		240,543	240,543		0
	0581925	10448	877,146	877,146		0
	3186446	10456	488,020	488,020		0
	1775812		77,841	77,841		0
	0958557		86,710	86,710		0
	0808814		605,537	605,537		0
	0199087		68,173	68,173		0
	1279254	10561	474,781	474,781		0
	3301050	10677	156,645	159,884	P1	-3,239
	3308041		157,957	147,616	P3	10,341
	0781010	10782	691,216	691,216		0
	2391015		537,404	537,404		0
	1021087		80,522	80,522		0
	1111833		78,714	78,714		0
	2051621	10960	760,797	760,797		0
	1268988	11053	1,022,230	998,132	P4	24,098
	1824309		162,724	236,030	P1	-73,306
	0739120		607,103	606,882	C4 P2	221
	0852570		300,595	245,630	P2 P6	54,965
	3216638		255,986	254,282	C2 P6	1,704
	0396591		420,197	420,197		0
	3301061		859,492	844,285	P1 P6	15,207
	3182575		612,302	612,302		0
	1906488	11061	468,607	468,607	C4	0
	2570025		227,746	227,746		0
	0068977		772,904	772,904		0
	3150466		292,157	292,157		0
	3203692		585,484	585,484		0
	3147715		302,925	302,925		0
	0690554		774,021	774,021		0
	1118633		96,928	96,928		0
	2953919	11223	322,906	322,906		0
	3174911	11266	720,997	720,997		0
	2051958		545,595	545,595		0
	1426664	11568	923,217	923,217		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

0288616	11770	464,572	464,572		0
3202068	12254	241,528	241,528		0
0054879		903,291	904,267	P6	-976
2888602	12440	303,955	310,570	P1	-6,615
2215292		453,300	478,360	C2 C4 P1	-25,060
3135973	12610	843,295	756,495	C1 P1	86,800
0164372	12882	1,093,712	1,093,712		0
0295485		128,571	128,571		0
2747090	13072	824,161	824,161	C4	0
0934119		1,292,433	1,300,058	P4	-7,625
2238055		749,939	582,082	C3 P1 P6	167,857
2808382	13080	721,606	721,606		0
0691682		290,261	285,126	C3 P6	5,135
1092766		309,988	303,527	P4	6,461
0785628		305,936	370,489	P6	-64,553
3215666		609,068	609,068		0
2238004		764,621	766,694	P2 P6	-2,073
3226130		888,313	888,313	C2	0
2152606		536,862	536,862		0
3234814		404,900	397,203	P6	7,697
0462268		986,943	988,286	P2	-1,343
0871494	13439	450,144	515,156	C1 P1	-65,012
1266888	14397	80,878	80,878		0
0687634	14451	83,544	83,544		0
0021822		63,349	63,349		0
1886150		90,157	90,157		0
0324469		90,747	90,747		0
1311352	15539	132,389	149,185	P1 P3	-16,796
3136164		163,778	163,778		0
3145756		539,908	539,908		0
0546909	15873	1,223,869	1,226,469	C2 P5	-2,600
1635450	16144	61,320	61,320	C4	0
3247699		72,429	72,429	C4	0
1861077	16985	500,966	425,104	C4 P1 P2 P3	75,862
0747742		272,868	288,946	P1 P6	-16,078
3126781		202,760	242,000	C4 P7	-39,240
3238818		394,517	380,340	P3	14,177
1823663		253,061	244,348	P1 P2	8,713
2775620	17965	73,943	530,313	C4 P7	-456,370
2976285	18996	121,137	154,737	P1	-33,600
3168694	24759	531,888	531,888	C3	0
0659592		668,147	620,307	C3 P1 P6	47,840
0904520		305,311	337,150	C4 P1 P6	-31,839

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**Voluntary Market****Test Audits Completed January 1, 2011 - December 31, 2011**

3059600	29734	959,043	959,043		0
1901770	31283	1,608,026	1,479,262	C5 P1	128,764
0339660		1,064,144	1,064,387	C4 P6	-243
2182190		540,620	550,828	P1 P2 P4	-10,208
3152869		894,223	894,223		0
3116180		236,545	267,863	P1 P2 P6	-31,318
1056794	39071	1,579,567	1,579,567		0
0855723		487,578	487,578	C3 C4	0
3195969		872,740	872,740	C1	0
2627272	69103	219,772	277,913	P1 P4	-58,141
1339850		1,572,082	1,572,584	C4 P2	-502
0362549		181,896	178,763	P4	3,133
0796522		1,531,353	1,531,353	C4	0
1378090		1,017,716	1,018,242	P6	-526

Quarterly Total Test Audit Payroll :	50,296,506
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Quarterly Total Company Audit Payroll :	50,584,794
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Quarterly Total Payroll Difference :	(288,288)
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MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

Qtr: 2	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	2137674	10030	84,446	84,446		0
	3272936		82,595	82,595		0
	3208882		61,047	61,047		0
	3076350	10448	86,691	86,691		0
	3005810		92,789	92,789		0
	2878550	10456	87,608	87,608		0
	2835517		75,000	75,000	C1	0
	2815885		70,592	70,592		0
	3122759		72,104	72,104		0
	2134268		64,876	64,876		0
	3034402		55,844	55,844		0
	2679442	12882	349,716	350,936	P2 P6	-1,220
	3200069		84,789	82,788	P4	2,001
	3216403	13072	483,588	483,588		0
	2921111	13080	97,933	97,933		0
	3209192		52,190	52,190		0
	2943891	13161	87,480	87,480		0
	3119500	13269	92,843	92,843		0
	3143014		61,855	61,855		0
	3243990	13781	92,601	92,601		0
	3283488		59,030	59,030		0
	2697050	14842	81,596	81,596		0
	3185626		98,106	98,106		0
	3334047		96,979	96,979		0
	1851373	15539	75,607	75,607		0
	2684985		56,200	56,200		0
	2776278		59,126	59,126	C5	0
	0014109	15865	642,409	642,409	C4	0
	1362305	16586	654,184	679,333	P6	-25,149
	1910990		1,693,690	1,685,917	C4 P6	7,773
	1288571	16853	181,867	181,867		0
	1164201		421,378	421,378		0
	1577085		106,155	106,155		0
	1709615		110,964	110,964		0
	0161268		353,152	349,323	C4 P4	3,829
	3181786		540,285	484,536	P6	55,749
	3269674		201,092	212,798	P4 P6	-11,706
	3198248		176,913	176,298	P6	615
	3176237	17124	129,730	129,730		0
	2327309		306,074	306,074		0
	0976547		127,128	127,128		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

3132762	17124	194,094	194,094		0
2211467		85,625	85,625		0
3155434		368,755	368,755		0
3159285		384,481	384,481		0
3182812		797,518	797,518		0
3182879		646,645	646,645		0
3321749		181,667	181,667		0
1249274		169,657	169,657		0
2200481		855,129	855,129		0
3316238		77,171	77,171		0
1776096		383,481	383,481		0
1999753		193,748	193,748		0
3228198		192,212	192,212		0
3225495		597,025	597,025		0
3216310		431,646	431,646		0
3207526	17256	85,097	92,497	P6	-7,400
1821300		87,077	83,849	P6	3,228
2814102		401,856	401,856		0
2823098		52,880	52,880		0
3206825		59,587	72,842	C4 P2 P3	-13,255
0449610		306,146	306,146		0
3118706		107,951	107,951		0
3219117	17426	267,764	362,750	C1 P7	-94,986
3216573	17744	404,786	442,938	P1 P3	-38,152
3156940		66,674	233,820	P7	-167,146
3128686		350,620	305,703	P1 P4 P6	-44,917
2540177		759,335	723,947	P1 P2 P6	35,388
0000299	18244	61,720	60,570	P3	-1,150
3324608		77,943	76,559	P2 P3	1,384
3171847		81,539	78,860	P3	2,679
1381261	21814	941,549	941,549		0
0705624		1,874,935	1,878,312	P4	-3,377
2882981		1,539,917	1,539,917	C4	0
1874080	22799	945,475	945,475		0
0865494		407,876	407,876		0
2701464		74,553	74,553		0
0747963		930,162	930,162		0
2585820		717,761	717,761		0
2411997		108,443	108,443		0
3180451		276,808	276,808		0
2136015		195,706	195,706		0
3180381		878,575	878,575		0
3206839		217,188	217,188		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

0520403	22799	945,391	945,391		0
1117980		826,333	826,333		0
3222696		50,136	50,136		0
0442402	24562	162,591	162,591		0
1416391	24759	478,434	478,434	C1	0
0099643		739,865	758,124	P1 P2 P6	-18,259
2732238	27243	2,130,833	1,961,365	C4 P2 P6	169,468
0218090	27359	1,602,567	1,611,436	C4 P1 P2 P4	-8,869
0897442	27944	2,030,327	2,036,196	C2 P6	-5,869
0757012		3,058,861	773,953	P3	2,284,908
0751650		2,326,660	2,327,920	P2 P4	-1,260
2496976		2,127,496	2,228,414	C4 P6	-100,918
3238437		23,468	1,099,313	P1 P6	1,075,845
2814080		2,082,019	2,084,266	P4	-2,247
0731099	29475	490,000	490,000		0
2265222		471,382	474,558	P6	3,176
2248948		573,814	573,814		0
1746820	31283	740,094	740,094		0
3335627		261,728	262,627	P2	-899
2157454		759,125	759,125		0
3166875		358,196	417,397	C4 P1	-59,201
0471070		775,675	775,675		0
1277863		74,465	83,056	P6	-8,591
3195963		143,826	145,852	P2	-2,026
1735616		832,644	816,655	P1 P2	15,989
1002716		617,534	639,208	C2 P2	-21,674
1461087		0	189,874		0
3346908		797,446	797,446		0
2695618	33928	65,086	65,086		0
1064274		213,088	213,088	C4	0
3131054		116,261	116,261	C4	0
3202300		498,297	498,297	C1	0
0961680		154,458	110,863	P3 P5	43,595
0186554		62,291	110,006	P2 P5	-47,715
1770179		87,144	87,144		0
3192815		78,990	78,990	C4	0
3188418		89,000	89,000	C4	0
1782010		629,389	569,390	C4 P1	59,999
1099280	38822	7,486,340	7,486,340	C4	0
3155476		8,731,830	8,740,671	C4 P1	-8,841
0978213		9,760,152	9,797,484	C4 P1 P2 P6	-37,332
0195022		12,077,264	12,029,267	C4 P6	47,997
1351680		2,186,900	2,236,684	C1 P3	-49,784

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

3161965	38822	39,332,584	39,332,584	C4	0
3226843	39071	649,131	715,209	C4 P1 P3 P4	-66,078
0388890		40,924	127,338	P1 P7	-86,414

Quarterly Total Test Audit Payroll :	133,987,068
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Quarterly Total Company Audit Payroll :	133,363,662
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Quarterly Total Payroll Difference :	623,406
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MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

Qtr: 3	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	2884704	10782	150,235	150,235		0
	3435300		197,311	197,311	C4	0
	2648393		351,096	275,000	P7	76,096
	3205426		178,361	150,000	P7	28,361
	3200785		50,113	90,000	P7	-39,887
	0300691		2,185	154,025	P1	-151,840
	0816671		1,077,472	1,077,472		0
	3168403		97,148	97,148		0
	2079658	11053	177,622	177,622		0
	2609410	11223	1,500,928	1,660,273	C4 P3	-159,345
	1008900		690,952	690,952		0
	3181938		190,336	283,091	P6	-92,755
	3174758	12432	965,306	966,286	P6 C4	-980
	2428300		876,489	895,619	C1 P1	-19,130
	2022087		374,396	474,126	P5	-99,730
	1995707	12610	124,348	78,093	P6	46,255
	3148303		841,845	756,451	P6 P1	85,394
	2467917	12637	1,746,623	1,119,124	P4 P1	627,499
	3366000	13439	73,214	95,177	P3 P1	-21,963
	0459402		755,564	755,564		0
	1110349		544,956	544,956		0
	0997315	13579	37,516	147,321	P7	-109,805
	0420344	15865	475,629	476,403	P6	-774
	0360457		489,645	487,897	C4 P4	1,748
	0861391		86,701	90,884	P3	-4,183
	2371499		64,291	62,334	P3	1,957
	1064290		189,624	189,624		0
	0682837		168,680	171,240	P6	-2,560
	3133470		188,295	188,295		0
	3135775		175,042	175,042		0
	3247755		257,182	256,418	P7	764
	3161811		414,587	415,478	C4 P1	-891
	1247204	17124	575,224	575,224		0
	1122401		821,734	821,734		0
	3130210		125,881	125,881		0
	1194470		348,166	348,166		0
	1965450		714,515	714,515		0
	2045141		54,675	54,675		0
	1962647		67,049	67,049		0
	0885819		208,830	209,911	P6	1,081
	1103482		543,551	543,551		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

1359878	17256	81,438	81,987	P6	-549
2601290		196,570	203,606	P4 P2 C1	-7,036
2645912		33,876	59,213	P1 C1	-25,337
3195265	17426	121,031	121,031		0
3199949		454,093	454,093		0
3126552		292,970	292,970		0
2997746		187,387	187,387		0
2173247		946,169	946,169		0
2281058		89,462	89,462		0
2741261		131,841	131,841		0
1163590		349,432	349,432		0
1870106		918,226	918,226		0
1745000		993,782	993,782		0
1377574		82,954	82,954		0
1311247		837,717	837,717		0
1279823		934,841	934,841		0
1217143		914,525	914,525		0
1174843		541,524	541,524		0
2116570		108,748	108,748		0
0944343		780,326	780,326		0
2069628		462,546	462,546		0
0798754		546,285	546,285		0
0282359		825,229	825,229		0
0753823		383,160	383,160		0
0895229	22799	708,422	708,422		0
0145882		343,250	343,250		0
0402141		387,502	393,357	P6	5,855
2448319		406,346	406,346		0
3362707	24562	233,232	233,232		0
3232372		176,856	176,856	C4	0
3171675		121,055	121,055	C4	0
1203550		216,971	216,971		0
1291297		246,748	246,748		0
2683520		186,992	186,992		0
2524805		193,785	188,391	P2 P3	5,394
3120354		357,027	357,027		0
2661489		183,855	183,855		0
3165084		220,972	222,045	C1 P2	-1,073
3343256	27995	676,981	719,114	P3	-42,133
3356479		2,388,442	2,388,442	C4	0
3361609		2,038,219	1,988,627	P7	49,592
3367559		501,087	492,634	P7	8,453
3361608		1,517,492	1,520,262	P6 C4	-2,770
3356485		2,384,285	2,403,771	P6	-19,486

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**Voluntary Market****Test Audits Completed January 1, 2011 - December 31, 2011**

3356471	27995	1,682,737	1,693,033	C4 P4	-10,296
3256672	31283	560,271	582,764	P2 P1	-22,493
3227455		799,401	799,401		0
3074536		75,243	119,084	P1 P6 C4	-43,841
2185563		195,747	193,031	P6	2,716
3193455		435,562	290,000	C4 P7	145,562
2070421		364,203	370,995	P4	-6,792
3155568	38822	6,432,233	6,432,233	C4	0

Quarterly Total Test Audit Payroll :	52,222,365
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Quarterly Total Company Audit Payroll :	52,035,159
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Quarterly Total Payroll Difference :	187,206
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MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

Qtr: 4	AFN Number	Carrier ID	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	2867567	10545	829,424	829,424		0
	2058723	10782	87,117	125,469	C4 P1 P4	-38,352
	2168073	10863	994,523	994,523		0
	0007110		368,498	368,498		0
	0454621		448,070	448,070		0
	3180001	14451	200,470	197,263	C4 P3	-3,207
	2156598		213,568	226,157	C1 P1 P4	-12,589
	0740802		305,563	305,563		0
	0233986		766,806	759,882	C4 P2	6,924
	3181902		359,346	262,024	P3 P6	97,322
	1470752	14842	284,516	284,516		0
	1119877		234,997	274,235	P1	-39,238
	2903830		672,287	746,735	P1 P4 P6	-74,448
	2473232		798,015	803,355	P1	-5,340
	1294067		984,272	984,272	C4	0
	2378752		944,341	965,422	P3	-21,081
	1868144		702,755	700,368	P3	2,387
	3140863		409,420	377,864	P3	31,556
	3209218		236,407	236,407		0
	2420970		273,530	235,944	C2 P1 P4	37,586
	2404834	15571	803,986	823,986	C2 C4 P1	20,000
	0870498		630,949	599,989	P6	30,960
	2689618		139,041	164,300	C1 P7	-25,259
	1106236		569,357	578,236	C4 P1 P6	-8,879
	2512645		252,182	252,182		0
	1723898		518,308	500,000	P7	18,308
	2047713	15865	360,284	360,284		0
	1088548		400,079	356,415	C4 P1 P2	43,664
	1294024		92,650	92,650		0
	1155253		815,351	801,413	P6	-13,938
	0675997		249,443	249,443		0
	0144576		787,832	787,832		0
	0161543		297,123	297,123		0
	0168742		762,790	762,790		0
	0327913		809,323	809,323		0
	0649295		919,948	919,948		0
	1038133		226,042	226,042		0
	0682896		533,954	533,954		0
	0761028		724,930	724,930		0
	0897493		173,340	173,340		0
	1019597		764,196	764,196		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

0069396	16446	286,289	286,289		0
2255308		467,855	396,412	P6	71,443
1944363		755,650	768,921	C2 C3 P6	-13,271
0121410		327,458	327,458	C4	0
0764582		250,877	250,877		0
3107141		150,675	150,675		0
0846007		260,961	264,531	C4 P3	3,570
0801445		524,517	537,291	P3 P4	-12,774
1204327		970,111	970,111		0
2893428		174,442	174,442		0
0688690		531,648	510,346	P2 P4	21,302
2050404		148,200	153,562	P3	-5,362
3208845	17124	703,914	703,914	C4	0
2770970	17426	193,885	193,885		0
2291800		193,561	193,561		0
3097196	17469	272,732	272,732		0
3168634		369,539	369,539		0
3087395		750,129	750,129	C4	0
3120765		489,392	499,992	C4 P1	-10,600
2899698		316,607	315,418	C1 P2	1,189
3204376		252,877	252,877	C4	0
0122521		911,319	911,319	C1	0
1436961		748,521	748,521		0
1145207		541,712	541,712	C4	0
0573639	17744	510,496	624,604	P7	-114,108
1306227	22799	312,216	312,216	C4	0
0431591		518,539	518,539		0
0509752		277,997	277,997	C2 C4	0
1131389		225,831	225,831	C1	0
0826960		108,160	276,980	P7	-168,820
0680699		172,466	172,466	C4	0
0581267		215,993	410,000	P7	-194,007
3231697	24562	206,324	230,181	P6	23,857
3130838	27669	637,317	637,317	C4	0
3166566		235,120	235,120		0
0127981		239,221	239,221		0
0596264		860,234	888,077	C1 C4 P3	-27,843
3313655	33928	131,292	132,000	P2 P6	708
3173145	39137	202,935	202,935		0
2515156		754,262	754,262		0
2904071		206,324	206,324		0
1222538		375,529	374,477	P6	-1,052
0353310		692,181	692,181		0

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

2874482	39137	149,517	149,517	0
2495830		778,870	778,870	0
3164388		553,272	553,272	0

Quarterly Total Test Audit Payroll :	39,902,000
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Quarterly Total Company Audit Payroll :	40,341,268
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Quarterly Total Payroll Difference :	(439,268)
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MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Voluntary Market

Test Audits Completed January 1, 2011 - December 31, 2011

YTD Total Test Audit Payroll :	276,407,939
YTD Total Company Audit Payroll :	276,324,883
YTD Total Payroll Difference :	83,056

Summary of Errors :

Error	Count of Errors	Error	Count of Errors
P1	51	C1	18
P2	32	C2	10
P3	28	C3	6
P4	26	C4	66
P5	4	C5	2
P6	57		
P7	18		

Total Audits: 408

Total Audits
w/ Differences: 196

Percentage of
Audits showing
Differences: 48.0 %

Difference Reasons

Payroll Differences:

- P1: Officer, partner, individual and family members payroll inclusion, exclusion or limitation
- P2: Overtime Credit
- P3: Reported payroll not within policy period dates
- P4: Rule 2 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: Classification variance
- C5: All Other

MWCIA

Test Audit Program



Assigned Risk - Physical Audits

Test Audits completed January 1, 2011 - December 31, 2011

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.**Assigned Risk Market - Physical Audits****Test Audits Completed January 1, 2011 - December 31, 2011**

Qtr: 1	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0056014	284,119	284,119		0
		1090917	501,849	501,849		0
		3142561	265,968	265,968		0
		3176111	383,675	383,675		0
	39579					
		2564386	1,401,093	1,401,093		0
		3140234	268,489	268,489		0

Quarterly Total Test Audit Payroll : **3,105,193**Quarterly Total Company Audit Payroll : **3,105,193**Quarterly 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, 2011 - December 31, 2011

Qtr: 2	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		1393553	1,989,226	1,989,226		0
		1403516	133,527	133,527	C4	0
		3147175	92,570	90,350	P6	2,220
		3208463	167,009	167,009		0
		3274649	86,337	86,337	C1	0
		3307031	622,863	622,863		0
	39579					
		2262630	114,765	113,077	P2	1,688
Quarterly Total Test Audit Payroll :			3,206,297			
Quarterly Total Company Audit Payroll :			3,202,389			
Quarterly Total Payroll Difference :			3,908			

* 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, 2011 - December 31, 2011

Qtr: 3	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466	0039420	75,541	75,541		0
		0097179	935,295	935,295		0
		0312851	701,051	693,974	P6	7,077
		0501620	715,691	715,691		0
		0810894	660,519	706,293	P6	45,774
		0964468	95,762	95,762		0
		1148753	357,385	357,385		0
		1353519	93,796	93,796		0
		1730487	81,384	81,384		0
		2161656	499,512	499,512		0
		2676915	352,267	352,267		0
		2874873	162,240	162,240		0
		3133485	3,682,408	3,682,408		0
		3168654	684,501	684,501		0
		3177982	199,794	199,794		0
		3203891	287,051	287,051	C4	0
		3215277	255,453	252,560	C4 P1	2,893
		3265069	210,567	210,567		0
	39579	1041029	244,413	222,650	C4 P7	21,763
		2209179	459,500	458,996	P3 C4	504
		2435195	241,062	288,099	P7	-47,037
		2462214	1,542,086	1,542,086	C4	0
		2525747	211,897	195,300	P6	16,597
Quarterly Total Test Audit Payroll :			12,749,175			
Quarterly Total Company Audit Payroll :			12,793,152			
Quarterly Total Payroll Difference :						(43,977)

* 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, 2011 - December 31, 2011

Qtr: 4	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0993646	124,005	124,005		0
		1087770	118,490	118,490		0
		1249061	196,400	196,400		0
		1343777	215,843	215,843		0
		2569035	859,400	859,400		0
		2591898	629,515	629,515		0
		2873907	330,985	330,985	C5	0
		2977141	763,406	763,406		0
		3218138	371,851	371,851		0
		3225775	172,604	172,604		0
	39579					
		2861470	168,077	168,524	C4 P6	-447
Quarterly Total Test Audit Payroll :			3,950,576			
Quarterly Total Company Audit Payroll :			3,951,023			
Quarterly Total Payroll Difference :			(447)			

* 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, 2011 - December 31, 2011

YTD Total Test Audit Payroll :	23,011,241
YTD Total Company Audit Payroll :	23,051,757
YTD Total Payroll Difference :	(40,516)

Summary of Errors :

Error	Count of Errors	Error	Count of Errors
P1	1	C1	1
P2	1	C2	0
P3	1	C3	0
P4	0	C4	7
P5	0	C5	1
P6	5		
P7	2		

Total Audits: **47**

Total Audits
w/ Differences: **15**

Percentage of
Audits
showing
Differences: **31.9 %**

Difference Reasons

Payroll Differences:

- P1: Officer, partner, individual and family members payroll inclusion, exclusion or limitation
- P2: Overtime Credit
- P3: Reported payroll not within policy period dates
- P4: Rule 2 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: Classification variance
- C5: All Other

MWCIA

Test Audit Program



Assigned Risk - Mail Audits

Test Audits completed January 1, 2011 - December 31, 2011

MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC.

Assigned Risk Market - Mail Audits

Test Audits Completed January 1, 2011 - December 31, 2011

Qtr: 1	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0126667	284,508	284,508		0
		0261149	192,903	185,103	P6	-7,800
		0485110	247,738	243,623	P6	-4,115
		1012649	217,213	217,213		0
		1184814	249,659	256,151	P6	6,492
		1236644	227,687	248,463	P6	20,776
		1609009	338,878	374,640	P6	35,762
		1837419	240,039	208,859	P6	-31,180
		2000083	219,106	219,106		0
		2342430	417,675	391,150	P6	-26,525
		2381648	119,025	156,825	P6	37,800
		2737418	224,512	224,512		0
		3146492	227,691	227,288	P6	-403
		3148650	171,259	171,259		0
		3200666	417,143	359,300	P6	-57,843
		3201130	213,683	213,683		0
	39579					
		2452952	259,060	259,060	C4	0
		2738961	82,919	82,919		0
Quarterly Total Test Audit Payroll :			4,350,698			
Quarterly Total Company Audit Payroll :			4,323,662			
Quarterly Total Payroll Difference :			27,036			

* 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, 2011 - December 31, 2011

Qtr: 2	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0411094	95,229	144,666	P6	-49,437
		1288369	550,772	520,644	C4 P6	30,128
		2208938	108,842	68,592	P5	40,250
		3036936	69,606	68,436	C4 P2	1,170
		3171463	99,876	101,714	C4 P6	-1,838
		3213202	573,378	372,627	P1 P3	200,751
		3305214	57,471	62,127	P3	-4,656
	39579					
		0441384	94,748	107,220	P1	-12,472
		0724831	45,236	77,354	P1	-32,118
		0731293	112,029	140,782	P7	-28,753
		1329979	260,952	312,884	C1 C4 P1 P4	-51,932
		2799049	169,842	212,040	C1 P7	-42,198
		3116201	167,654	90,648	C4 P6	77,006
Quarterly Total Test Audit Payroll :			2,405,635			
Quarterly Total Company Audit Payroll :			2,279,734			
Quarterly Total Payroll Difference :			125,901			

* 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, 2011 - December 31, 2011

Qtr: 3	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0232394	575,612	575,612		0
		1327020	464,413	563,215	P2 C1	-98,802
		2327554	176,195	176,195	C4	0
		2844680	708,685	439,476	C1 P3 P4	269,209
		3131238	336,220	334,716	P1	1,504
		3175068	428,832	422,587	P3 C4	6,245
	39579					
		0870536	203,334	197,530	P6	5,804
		1794353	230,725	231,408	C4 P4	-683
		1968980	604,870	607,133	C1 P3	-2,263
		2418312	356,781	352,877	P2	3,904
		2537400	26,064	197,346	P6	-171,282
		3082261	689,281	955,255	P1	-265,974
Quarterly Total Test Audit Payroll :			4,801,012			
Quarterly Total Company Audit Payroll :			5,053,350			
Quarterly Total Payroll Difference :				(252,338)		

* 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, 2011 - December 31, 2011

Qtr: 4	Carrier ID	AFN Number	Test Audit Payroll	Company Audit Payroll	Reason Code(s)	Total Payroll Difference
	21466					
		0587516	242,193	242,193		0
		0704350	116,935	116,935		0
		1288288	206,994	205,677	P6	1,317
		1563386	89,399	89,399		0
		1825208	613,813	613,813		0
		2452758	274,026	274,026		0
		2590662	184,621	184,621		0
		2662418	301,344	301,344		0
		2680130	185,228	185,228		0
		3121115	868,189	868,189		0
		3137919	195,957	195,957		0
		3153746	177,822	177,822		0
	39579					
		0225509	383,105	405,728	C4 P4 P6	-22,623
Quarterly Total Test Audit Payroll :			3,839,626			
Quarterly Total Company Audit Payroll :			3,860,932			
Quarterly Total Payroll Difference :			(21,306)			

* 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, 2011 - December 31, 2011

YTD Total Test Audit Payroll :	15,396,971
YTD Total Company Audit Payroll :	15,517,678
YTD Total Payroll Difference :	(120,707)

Summary of Errors :

Error	Count of Errors	Error	Count of Errors
P1	6	C1	5
P2	3	C2	0
P3	5	C3	0
P4	4	C4	10
P5	1	C5	0
P6	18		
P7	2		

Total Audits: **56**

Total Audits
w/ Differences: **37**

Percentage of
Audits
showing
Differences: **66.1 %**

Difference Reasons

Payroll Differences:

- P1: Officer, partner, individual and family members payroll inclusion, exclusion or limitation
- P2: Overtime Credit
- P3: Reported payroll not within policy period dates
- P4: Rule 2 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: Classification variance
- C5: All Other