



MWCIA

Minnesota Workers' Compensation Insurers Association, Inc.

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Bruce A. Tollefson, President

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ALL ASSOCIATION MEMBERS

Circular Letter No. 98-1304

RE: Notice of File Closing Form

MWCIA wishes to bring the Minnesota Department of Labor & Industry's "Notice of File Closing", Form LI-20326-01 (3/97), to the attention of its membership as it has learned that the use of this form can be a win/win situation for both the insurance industry and the State of Minnesota.

The Department of Labor & Industry audits each of their open files annually to determine which files can be closed. Files with missing data will require follow-up by the insurance company and are subject to penalty when an answer is not provided on a timely basis. By the time the automatic review process by the state takes place, however, many insurance companies have already moved their closed files to off-site storage facilities or to other less accessible storage areas. The need by an insurance company to retrieve data at this point can be costly and cumbersome.

Member companies who currently use Form LI-20326-01 (3/97) indicate its use has made a significant difference by eliminating the extra costly steps associated with retrieving closed files. The MWCIA wishes to encourage each member to consider the use of the "Notice of File Closing" form as an excellent time and cost savings tool. A memo of explanation from the Department of Labor & Industry and a copy of Form LI-20326-01 (3/97) is attached for your review.

If you have any questions or would like to discuss the use of Form LI-20326-01 (3/97), please call the Department of Labor & Industry at (612) 215-0088.

Sincerely,

Bruce A. Tollefson, CIC
President