



The mission of the Minnesota Workers' Compensation Insurers Association is to collect, process, and analyze workers' compensation data so that we can provide high quality, consistent information to our insurer members and regulators. We will develop and deliver useful services and products to the workers' compensation community.

July 2019

2nd Quarter 2019 Issue

In This Issue

- **President's Message**
[Page 1](#)
- **MWCIA Webzone Madness 2019 Winners and Contest**
[Page 2](#)
- **Things to Know About Ownership Changes:**
[Page 2](#)
- **Rumor Has It...**
[Page 3](#)

Important Links

[MCPAP renewal/sign up](#)
[MWCIA Web Membership](#)
[CDX User Guide and Support](#)
[MN Work Comp Assigned Risk Plan](#)
[Minnesota Department of Labor & Industry](#)
[Minnesota Department of Commerce](#)
[Minnesota Department of Employment & Economic Development \(MN Unemployment Insurance Program\)](#)

Circulars/Announcements/Links

[Circular Letter 19-1749](#)
2018 Annual Report
[Circular Letter 19-1748](#)
NCCI Medical Data Call Reporting Guidebook and NCCI Indemnity Call Reporting Guidebook
[Circular Letter 19-1747](#)
NCCI Item NCCI Item B – 1437 – Revisions to Basic Manual Classifications and Appendix E – Classifications by Hazard Group, Including Aircraft Maintenance
[Circular Letter 19-1746](#)
NCCI Item P-1414 – Establishment of Notification Endorsement of Pending Law Change to Terrorism Risk Insurance Program Reauthorization Act of 2015
[Circular Letter 19-1745](#)
Carrier Data Quality Reports Available in Web Membership
[Circular Letter 19-1744](#)
2018 Test Audit Summary Report

President's Message



Value and Efficiency – We do a great job in setting advisory rates, processing policies, unit statistical reports, experience modifications, insurance verification data and the like. This is our core role in the industry, and our experienced staff and investment in state of the art technology and tools over the past 25 years has made these processes much more accurate and efficient. As a result, we can do the same amount of work with fewer staff and I have noted that in past articles.

By focusing on value, we work with carriers and agents to provide more value for the same costs. Expanding our online training, our outreach services to employers, redesigning our website, updating our processes, expanding our state of the market and delving deeper into our data to highlight trends are all examples of value we are creating for the industry.

Our staff are well versed in their areas of expertise and we believe that we have and will continue to provide a great deal of value and efficiency to our members and the entire workers' compensation arena.

A couple final notes:

We are pleased to welcome a new MWCIA Board member, Andrea Lindemeyer from Auto Owners. She was elected at the April Board meeting and will replace Barry Preslaski, who had served on our Board for many years. Thanks to Barry for his years of service and we welcome Andrea to the Board.

Finally, I wanted to note that we are taking a hiatus from our annual golf outing. Usually strategically scheduled for the hottest / driest week of the year in July, we have seen attendance drop from nearly 120 down to 70 last year. While we always had a great event, the resources we committed to the outing weren't matching the value of the networking. We will re-visit the outing in the future and re-assess whether we will hold it in future years.

Important Dates & Deadlines:

- MN Contractors Premium Adjustment Program (MCPAP)
 - 2020 MCPAP Application is available on the MWCIA website.
 - Does not automatically renew! Applications received with a postmark after 4/1 will have a late penalty applied.
 - Average Hourly Wage: \$27.00
 - [Online Training for MCPAP](#) – Found in Online Training under the “Underwriting” section
- Effective 1/1/2018 the Split Point is:
 - \$16,500
- Effective 1/1/2019 the Split Point is:
 - \$16,500
- Effective 1/1/2018 the State Per Claim Accident Limitation is:
 - \$221,500 Single
 - \$443,000 Multiple
- Effective 1/1/2019 the State Per Claim Accident Limitation is:
 - \$221,000 Single
 - \$442,000 Multiple
- Minimum & Maximum Payrolls
Effective 1/1/2019 – Assigned Risk & Standard Market
 - Minimum: \$56,004
 - Maximum: \$224,016
 - Family: \$16,796

Gift Card Anyone:

A winner of a \$10 gift card will be drawn from the first ten correct responses that are emailed to: newsletter@mwcia.org.

St. Paul as we know it today was named after an apostle, however, its first name was quite a bit more colorful. What was St. Paul's original name?

Last Quarter's Answer: 440

Last Quarter's Winner: Becky Kelm - Federated

Results of the first annual Webzone Madness Event from MWCIA:

MWCIA tried a new fun event this year that required no money, just a minute of your time and the desire to take part in a little March Madness MWCIA style!

We put together a March Madness Bracket for our online tools that people use to give us all a little humor in our bleak long winter. It was so close in the final round that we had to extend voting! Everyone that left their contact information was entered for a chance to win one of three \$25 gift cards.

Our Titan of Virtual Hoops was the Manage Policy System Meteors who cut down the net after an OT win with a downtown shot!

Our winners of the gift cards are:

Jill Gustafson - RAM Mutual Insurance Company

Jing Hong – AUW

Stefanie Rath – M&M Insurance Agency

Things to Know About Ownership Changes:

In Minnesota, MWCIA is the entity responsible for making ownership rulings. All changes in ownership are reviewed and a determination is made based on the specific information of each ownership change whether or not an entity is experience rated.

When a change in ownership occurs, the policy requires a policyholder to report the details of such changes to the Minnesota Workers' Compensation Insurers Association (MWCIA).

To facilitate this reporting requirement, an owner or officer will complete, sign and date a Confidential Request for Ownership Information (ERM-14). This form is available on our website at www.mwcia.org under “TOOLS” then choose “Forms”.

Optionally, the information may be sent to the MWCIA in narrative form on the letterhead of the employer and signed by an officer of the insured entity.

MWCIA staff will determine the type of change and/or combinability of the entities involved and will amend the experience modification accordingly.

Changes in ownership interest may affect the use of an entity's experience in future experience ratings. When a change in ownership occurs, a determination shall be made to retain or exclude an entity's experience in the rating.

For purposes of experience rating, a change in ownership includes any of the following:

- **Sale, transfer or conveyance of all or a portion of an entity's ownership interest**

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Opt 3 – Actuarial Department

Opt 4 – Unit Stat/Mod Department

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MWCIA News is a periodic publication of the Minnesota Workers' Compensation Insurers Association as a service to its members and the workers' compensation industry. Please direct any questions, comments or suggestions for articles you may have concerning this publication to:

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- **Sale, transfer or conveyance of an entity's physical assets to another entity that takes over its operations**
- **Merger or consolidation of two or more entities**
- **Formation of a new entity that acts as, or in effect is, a successor to another entity that:**
 - a) Has dissolved**
 - b) Is non-operative**
 - c) May continue to operate in a limited capacity**
- **An irrevocable trust or receiver, established either voluntarily or by court mandate**

The types of situations that **may** prompt an ownership determination ruling by MWCIA staff includes 1) changes in experience rating, 2) combining or separating files, and 3) if a request is made by the person submitting the ERM-14 form for requesting an ownership ruling.

For more information on changes in ownership, we would encourage you to review the Ownership Brochure available on the MWCIA website at www.mwcia.org, under the Learning Center tab.

Rumor Has It...

Welcome to the section of the newsletter that gives the different departments a spot to give a quick update about what is going on that may affect you or your insureds.

Information Technology Services:

Sue Levey, our longtime VP of Information Technology Services retired at the end of June. Sue worked with MWCIA for 21 years. Muhammad Kashif, who has worked with MWCIA for just over 23 years in the IT department has been promoted to Director of Information Technology Services. We are excited to have a very experienced and stable team moving forward.

Underwriting:

MWCIA teams up with the MN Department of Revenue, the MN Department of Employment and Economic Development, the MN Department of Labor and Industry and the United States Department of Labor to put on full day training seminars for new and existing business owners in MN. For upcoming classes, please [click here](#) or cut and paste this link: <http://www.uimn.org/employers/help-and-support/educational-seminars/index.jsp> into your web browser. **You will need to scroll down the page to register for a class as seating is limited.**