

MWCIA QUARTERLY

The Official Quarterly Newsletter of
The Minnesota Workers' Compensation Insurers Association.

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: Dani Main-editor of MWCIA News via e-mail: newsletter@mwcia.org



PRESIDENT'S MESSAGE

Jennifer Wolf - President MWCIA

Beginnings are a time of both reflection and possibility. I am honored to be the incoming President of MWCIA. I look forward to many years of working with you and continuing MWCIA's goal to be a valuable workers' compensation resource in Minnesota.

It is clear from my first few months that MWCIA has earned a position of trust in Minnesota's workers' compensation community. MWCIA's work is accurate and responsive, helping to create long-term stability within the system. We owe thanks and praise to Brandon Miller, the Board of Directors, and staff for their continuous work to improve MWCIA.

As I continue to learn how MWCIA serves its customers in the coming months, I also look forward to hearing how we can better meet your needs. Please share if you have feedback or ideas on how MWCIA can better fulfill its mission. Together, we can find ways to lead MWCIA into its next century of service to the Minnesota workers' compensation community.

WHAT'S IN OUR LATEST ISSUE:

PG 2 - Updated Actuarial resources for agents and carriers

PG 3 - Reminder MCPAP Penalty

PG 3 & 4 - Minnesota's Test Audit Program - How and Why



UPDATED ACTUARIAL RESOURCES FOR AGENTS AND CARRIERS

Andrea Everling - VP of Actuarial Services

Many of the resources on our website for agents and carriers have been updated within the last quarter. The following is a list of these resources and a quick note about the resource's information. Click on the hyperlinks below to view the reports and learn more about different aspects of the workers' compensation industry:

- [State of the Market Report](#)
 - This report offers a variety of metrics presented to paint a picture of Minnesota's workers' compensation industry.
- [State of the Market Presentation with Notes](#)
 - We know that the State of the Market report can be a little overwhelming if you have never seen it before. For that reason, we made sure to add the presentation on the State of the Market metrics that we give at our annual luncheon. This link will show you the graphs and commentary from that presentation.
- [NCCI Medical Data Call Report](#)
 - Medical Data Call information is used to break down medical services into a variety of categories.
- [NCCI Opioid Supplement](#)
 - This supplement to the Medical Data Call report focuses on prescription drug statistics, specifically trend and prescribing patterns of opioids.

MWCIA also published a new resource to our website:

- [COVID-19 Analysis - Workers Compensation Bureau Collaboration](#)
 - This inter-DCO collaboration compares COVID-19 and non-COVID-19 metrics across 45 jurisdictions to evaluate preliminary impacts of the pandemic on the workers' compensation industry.

You can also access these pieces of information by going to our website and choosing the "carrier" tab at the top. These links are inside the drop-down menu that you have to choose from under this tab.

The screenshot shows the MWCIA website interface. At the top, there are links for 'Web Membership', 'Newsfeed', and a search bar labeled 'Entire Site'. The main navigation bar includes 'CARRIERS', 'AGENTS', 'TOOLS', 'LEARNING CENTER', 'ABOUT', and 'CONTACTS'. The 'CARRIERS' dropdown menu is open, displaying a grid of resources. Two items are circled in red: 'COVID-19' (with sub-items 'COVID-19's Impact on Workers Compensation' and 'COVID-19 and Privately-Insured Workers' Compensation in Minnesota') and 'State of the Market' (with sub-items 'State of the Market Presentation', 'State of the Market Report', 'NCCI Medical Data Call Report', 'NCCI Opioid Supplement', and 'Web Membership'). Other resources in the menu include 'ACCEDE', 'ARROW', 'Carrier Data Quality Report', 'Carrier Membership Contact Update Forms', 'Carrier Rate Summary', 'Classification Search', 'Classification Survey Request Form', 'Countrywide Mega Claims', 'Experience Rating', 'FAQ-Carriers', 'Forms', 'Manage Policy System', 'Manage USR System', 'MN Manuals', 'MCPAP', 'New Carrier Filing Requirements', 'Product Request Form', 'Publications', 'Rate-making Report', and 'Workers' Compensation Limited Power of Attorney Form'.



REMINDER MCPAP PENALTY

Underwriting Department

Friendly reminder that the deadline to turn in your MCPAP application was 4/1. Any applications received after 4/1 will have a .02 penalty applied to the factor once promulgated.

If submitting a late MCPAP application (after 4/1), please note that it will only be accepted if the policy's effective date is within 90 days of submitting the late application.

MINNESOTA'S TEST AUDIT PROGRAM - HOW AND WHY

Underwriting Department

The purpose of the Minnesota Test Audit Program is to verify the accuracy of the statistics reported to the MWCIA. A Test Audit includes a physical examination of the employer's books and records upon which the unit statistical information is filed to ensure the highest degree of accurate information entering MWCIA's database.

Test Audits are selected at random based upon set criteria.

Test Audits may also be requested in writing by:

- Employer
- Carrier
- Employer's Representative
- Authorized Governmental Agency

The test auditor advises the employer of MWCIA's intent to complete an audit. The carrier is instructed to file a copy of their company's premium statement payroll audit for the period in question and any supplementary worksheets. A Test Audit is conducted by applying the standard reporting classifications, rating plans, and rules set forth in MWCIA's filed manuals.

The results of a Test Audit will be distributed as follows:

- Employer
- Carrier or their authorized representative
- Employer's Representative
- Authorized Governmental Agency

In addition, quarterly reports are filed with the carriers summarizing the results of the Test Audit Program and an annual report is filed with each carrier and with the Commerce Department outlining the results of the Test Audit Program.

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MINNESOTA'S TEST AUDIT PROGRAM - HOW AND WHY *CONTINUED*

Underwriting Department

Who

How

Why

Where

When

What

For Test Audits that do not develop a reportable payroll or classification code difference, a letter will notify the carrier that the Test Audit confirmed the carrier's audit.

For Test Audits that develop a reportable difference in payroll (\$3,000 difference in reportable payroll or in excess of 2% of total payroll) or classification code (a change in governing code), the carrier will be sent a copy of the Test Audit summary sheet. In addition to the summary sheet, the carrier will receive a letter briefly outlining the reason(s) for the difference. Carriers will be required to submit revised unit statistical data, within sixty (60) days of the initial notice, to reflect the results of the Test Audit Program's audit.

Premium adjustments resulting from MWCIA's Test Audit shall not be utilized in any manner to enforce premium collection.

In cases where a carrier disagrees with the findings of the test auditor, the carrier must submit their reasons for disputing the Test Audit results in writing to MWCIA within sixty (60) days of the initial notice with the name of a contact person at the carrier authorized to resolve the dispute. In cases where a written dispute is not received within sixty (60) days, the results of the Test Audit will be considered correct.

Important Information
you ***Need To Know*** links:

[Circulars: Changes to MN Workers Compensation](#)

[Helpful Industry Links:](#)

[MN DLI](#), [MN Dept of Commerce](#), [MN Dept of Employment & Economic Development](#)

[Yearly Changes:](#)

[Split Point](#), [Per Claim Accident Limitations](#),
[Min/Max Payrolls](#)

[Online Training: Experience Mods](#), [ERM-14](#), & [More](#)

CONTACT US

Phone: 952-897-1737

Underwriting: Option 1

Assigned Risk: Option 2

Actuarial: Option 3

Unit Statistical Reporting: Option 4

Policy Reporting: Option 5

Assistance/General: Option 0

www.mwcia.org