

STATE OF MINNESOTA
DEPARTMENT OF COMMERCE

APPROVAL OF THE WCRA SURPLUS
DISTRIBUTION RECOVERY PROGRAM
DEFICIENCY ASSESSMENT RATE FOR 2012

ORDER

Issued and entered this 31st day of October 2011

A. AUTHORITY


1. On September 24, 2010, the Commissioner of Commerce and the Commissioner of Labor and Industry issued Orders approving "The Workers' Compensation Reinsurance Association's Surplus Distribution Recovery Program as set out in its Fourth Amendment and Restatement of the Resolution Determining the Assessment of Deficient Premium to WCRA Members and Deficiencies to WCRA Self-Insurer Members and Workers' Compensation Policyholders."
2. In accordance with those Orders, the WCRA has implemented the Program of assessments and has issued a 2011 Report on the Program and the WCRA's financial condition and investment performance.
3. Based on the information contained in that Report and in accordance with the requirements of Minn. Stat. § 79.34, subd. 2a, the Board has decided that the Program of assessments should be continued in 2012 and recommends that the Commissioner of Commerce issue an Order approving a Deficiency Assessment rate of 1.59 percent of Designated Statistical Reporting Premium for 2012.
4. In accordance with the Program, insurers collecting Deficiency Assessments from their policyholders must remit the required assessments to the WCRA as ordered by the Commissioner of Commerce.

B. COMMISSIONER'S APPROVAL

1. The Commissioner of Commerce has reviewed the 2011 Report on the Program submitted by the WCRA.
2. The Commissioner of Commerce accepts as reasonable the recommendation of the WCRA Board that a Deficiency Assessment Rate of 1.59 percent of Designated Statistical Reporting Premium be implemented for 2012.

THEREFORE, the recommended Deficiency Assessment rate of 1.59 percent of Designated Statistical Reporting Premium for 2012 is approved; insurers are directed to remit the required Deficiency Assessments for 2011 to the WCRA by February 1, 2012 and the required Deficiency Assessments for the period from January 1, 2012 to June 30, 2012 to the WCRA by August 1, 2012; and self-insurers are directed to pay the required Deficiency Assessments for the period from January 1, 2012 to December 31, 2012 to the WCRA by August 1, 2012.

Dated: 10-31-11


Mike Rothman
Commissioner of Commerce