

THE WORKERS' COMPENSATION RATING AND INSPECTION BUREAU OF MASSACHUSETTS

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CIRCULAR LETTER NO. 1572

To All Members and Subscribers of the Bureau:

Increase in the Eligibility Level - Experience Rating Plan

The Division of Insurance has approved a proposal, adopted by our Governing Committee, to increase the premium eligibility level, for experience rating in Massachusetts, to \$5,500 from \$4,500 effective October 1, 1991, applicable to new and renewal business only.

It should be noted that, although the normal experience period under the plan is three years, an employer may become eligible for rating if the premium produced during the last year, or the last two years, of the experience period is an amount equal to twice the average annual premium qualification.

It should also be noted that, under currently filed and approved plans, those risks with an average annual premium over the last three policy years of \$500 or more, too small to be experience rated, will be Merit Rated. In addition, those risks that qualify for experience rating will have the All Risks Adjustment Program (ARAP) applied to them.

Reprinted Experience Rating Plan pages are being released by the National Council on Compensation Insurance.

NORMAN R. FONTAINE Vice President of Industry Affairs

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