

The Workers' Compensation Rating and Inspection Bureau of Massachusetts
40 Broad Street, Boston, Massachusetts 02109
(617) 542-5080

August 7, 1986

CIRCULAR LETTER NO. 1447

To All Members and Subscribers of the Bureau:

MASSACHUSETTS - ASSESSMENT CHARGE
Standard Endorsement WC 20 03 02

The Commissioner of Insurance has approved the use of the captioned Standard Endorsement to coincide with the implementation of the Department of Industrial Accidents Assessment which was announced in Circular Letters No. 1441 dated April 17, 1986 and No. 1443 dated May 2, 1986.

The purpose of the endorsement, which is to be attached to all policies showing Massachusetts in Item 3A of the Information Page, is to explain the assessment to policyholders. It is not necessary to retroactively endorse policies with the above standard endorsement if policyholders had been previously notified through a policyholder message.

Specimen Copy of Endorsement

A specimen copy of the endorsement as shown on the attached sheet should be submitted to this office by carriers for record purposes only. No individual carrier filing should be made with the Massachusetts Insurance Department since a filing was made by the Bureau on behalf of its members and subscribers and the endorsement was approved for use by all members and subscribers.

Supplies of this standard Massachusetts endorsement will be available from the National Council on Compensation Insurance through the Central Forms Program.

William E. DeWolfe
Vice President

WDW:jlj

Enclosure

MASSACHUSETTS - ASSESSMENT CHARGE

Massachusetts General Laws, Chapter 152, Section 65, as amended by Chapter 572 of the Acts of 1985, establishes a workers' compensation special fund and a workers' compensation trust fund.

On behalf of the Department of Industrial Accidents (DIA), the insurance company providing workers' compensation coverage is required to bill and collect an assessment charge covering the special and trust funds from insured employers and remit the amounts collected to the State Treasury.

The assessment charge, which is determined by applying a rate (subject to annual change) to the standard premium developed under your policy, is shown as a separate item on the information page of the policy. The rate may be different for private employers and for the Commonwealth and its political subdivisions.

The income derived from the assessment charge will be used to fund the operating expenses of the DIA and to fund certain employee benefits as described in Chapter 152.

Note:

1. Use this endorsement with any policy showing Massachusetts in item 3.A. of the Information Page.