



**THE WORKERS' COMPENSATION  
RATING AND INSPECTION BUREAU**

*Massachusetts Workers Compensation  
Assigned Risk Pool*

March 26, 2013

**MASSACHUSETTS WORKERS' COMPENSATION  
ASSIGNED RISK POOL**

**SPECIAL BULLETIN NO. 06-13**

**MASSACHUSETTS LIMITED OTHER STATES BENEFIT ENDORSEMENT  
WC 20 03 06B**

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The Division of Insurance ("DOI") has approved an amended version of the Massachusetts Limited Other States Insurance Endorsement (WC 20 03 06A). The new version is titled **Massachusetts Limited Other States Benefit Endorsement** (WC 20 03 06B) and is now approved for use by Massachusetts workers' compensation insurers for new and renewal policies, effective on or after June 1, 2013 ("New Endorsement").

Over the past several years, the WCRIBMA issued special bulletins and circular letters (Special Bulletin 09-02, Special Bulletin 12-04 and Circular Letter 1983) in response to requests for clarification as to the purpose and meaning of certain words within the Massachusetts Limited Other States Insurance Endorsement. The purpose of the New Endorsement is to clearly define, within the endorsement itself, both the purpose and the limitations of the endorsement.

The New Endorsement makes clear that it does not provide other states insurance coverage, it does not satisfy the requirements of another state's workers' compensation law, and that benefits will not be paid to employees hired to work outside of Massachusetts or to employees working in another state for whom the insured should have obtained separate workers' compensation insurance.

A Massachusetts workers' compensation policy with this New Endorsement will pay the workers' compensation benefits of another state to a Massachusetts employee, only in the very limited situation when the Massachusetts employee is injured while working for the insured in another state **and**, as of the date of injury, that employee's work for the insured has primarily been conducted in Massachusetts.

Servicing carriers and voluntary direct assignment carriers are reminded to attach endorsement WC 20 03 06B to all Massachusetts residual market policies and enter “Coverage Replaced By Endorsement WC 20 03 06B” in item 3.C. of the Information Page.

Although the approved effective date of the New Endorsement is June 1, 2013, the DOI has indicated that the New Endorsement may be used immediately by any WCRIBMA member without the necessity of an adoption filing. The DOI asks that any company using this or any other approved endorsement form, which has been filed by the WCRIBMA on their behalf, include the issuing company’s name on the endorsement.

Attached is a copy of the approval letter from the DOI (Attachment A). A copy of the new Massachusetts Limited Other States Benefit Endorsement (Attachment B) and the redline version of the Massachusetts Limited Other States Insurance Endorsement are also attached for your information (Attachment C). The Endorsement is now available in Word format on the WCRIBMA’s website, [www.wcribma.org](http://www.wcribma.org), under *Helpful Info: Filed and Approved Endorsements* and also in PDF format under *Residual Market: Mandatory Endorsements*.

Any questions may be addressed to Daniel Crowley, Vice President –Customer Services at 617-646-7594; [dcrowley@wcribma.org](mailto:dcrowley@wcribma.org) or Ellen Keefe, Vice President - General Counsel at 617-646-7553; [ekeefe@wcribma.org](mailto:ekeefe@wcribma.org).

Daniel M. Crowley, CPCU  
Vice President –Customer Services & Residual Market

# Attachment A

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**COMMONWEALTH OF MASSACHUSETTS**  
**Office of Consumer Affairs and Business Regulation**  
**DIVISION OF INSURANCE**

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March 6, 2013

Ellen F. Keefe, CPCU  
Vice President and General Counsel  
Workers' Compensation Rating and  
Inspection Bureau of Massachusetts  
101 Arch Street, 5<sup>th</sup> Floor  
Boston, MA 02110

**RE: PROPOSED MASSACHUSETTS LIMITED OTHER STATES BENEFIT  
ENDORSEMENT WC 20 03 06 B**

Dear Ms. Keefe:

The Massachusetts Division of Insurance ("Division") has reviewed your letter and attachments thereto, dated March 4, 2013, on behalf of the Workers' Compensation Rating and Inspection Bureau (alternatively "WCRIB" or "Bureau"), requesting approval of Massachusetts Limited Other States Benefit Endorsement WC 20 03 06 B (the "Endorsement"). The Endorsement is intended to replace the current Massachusetts Limited Other States Insurance Endorsement WC 20 03 06 A. In addition, the Division has reviewed those supplementary materials submitted in support of your request on March 6, 2013. Pursuant to your letter, the Endorsement would be effective for new and renewal policies on June 1, 2013.

Based upon the information provided, the Division has determined that the Endorsement will clarify policyholders' rights and responsibilities, as well as those of the insurers and the WCRIB, under workers' compensation contracts in Massachusetts. Consequently, the Division approves the Endorsement as filed.

As requested in your letter, the Endorsement shall be effective as of June 1, 2013. While the Endorsement may immediately be used by any WCRIB member without the necessity of an

adoption filing, we ask that all companies using this or any other approved form that has been filed by the Bureau on their behalf include the issuing company's name.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mancini', with a stylized flourish at the end.

Matthew Mancini  
Director, State Rating Bureau

## Attachment B

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Effective June 1, 2013

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**MASSACHUSETTS LIMITED OTHER STATES BENEFIT ENDORSEMENT**

**THIS ENDORSEMENT REPLACES PART THREE OF THE POLICY: OTHER STATES INSURANCE.**

**A. How This Endorsement Applies**

1. We do not provide other states insurance coverage as described in Part Three of the Policy. Furthermore, the Massachusetts Limited Other States Benefit Endorsement does not satisfy the requirements of another state's workers' compensation law. However, pursuant to this endorsement, we will pay promptly, when required by the workers' compensation law of a state other than Massachusetts, the benefits due to employees pursuant to such other state's law, but only if the claim for such benefits involves work performed by a Massachusetts employee. For purposes of this Endorsement, a Massachusetts employee is someone whose contract of hire was made in Massachusetts or whose work for you, as of the date of injury, has primarily been conducted in Massachusetts. Other state's benefits will **not** be paid if:

- a. The employee is claiming benefits in a state where, at the time of injury, you have other workers' compensation insurance coverage that would cover the injured employee, or
- b. You were, by virtue of the nature of your work or operations in that state, required by that state's law to have obtained separate workers' compensation insurance coverage in that state that would cover the injured employee.

2. If we are not permitted to pay the benefits directly to persons entitled to them under circumstances described in Item 1 above, we will reimburse you for the benefits required to be paid.

3. If you hire any employees to work outside Massachusetts or begin work or operations in any state other than Massachusetts, you must obtain any insurance coverage required by that state's laws, as this Limited Other States Benefit Endorsement does not satisfy the requirements of that state's workers' compensation insurance law.

4. This endorsement does not affect the payment of Massachusetts benefits under this Policy.

**Notes:**

1. Servicing carriers and voluntary direct assignment carriers must attach this endorsement to all policies issued through the Massachusetts Workers' Compensation Assigned Risk Pool. Voluntary carriers may, as an option, elect to attach this endorsement to any policy showing Massachusetts in Item 3.A. of the Information Page.

2. Enter "COVERAGE REPLACED BY ENDORSEMENT WC 20 03 06 B" in item 3.C. of the Information Page.

# Attachment C

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MASSACHUSETTS LIMITED OTHER STATES **BENEFIT INSURANCE** ENDORSEMENT

**THIS ENDORSEMENT REPLACES PART THREE OF THE POLICY;—OTHER STATES INSURANCE OF THE POLICY is replaced by the following:**

**A. How This Insurance Endorsement Applies**

1. ~~We do not provide other states insurance coverage as described in Part Three of the Policy. Furthermore, the Massachusetts Limited Other States Benefit Endorsement does not satisfy the requirements of another state's workers' compensation law. However, pursuant to this endorsement, We will pay promptly, when due required by the workers' compensation law of a state other than Massachusetts, the benefits due to employees pursuant to such other state's law, required of you by the workers compensation law of any state other than Massachusetts, but only if the claim for such benefits involves work performed by a Massachusetts employee. For purposes of this Endorsement, a Massachusetts employee is someone whose contract of hire was made in Massachusetts or whose work for you, as of the date of injury, has primarily been conducted in Massachusetts. Other state's benefits will not be paid if:~~

- ~~a. The employee is claiming benefits in a state where, at the time of injury, you have other workers' compensation insurance coverage that would cover the injured employee, or~~
- ~~b. You were, by virtue of the nature of your work or operations in that state, required by that state's law to have obtained separate workers' compensation insurance coverage in that state that would cover the injured employee.~~

2. If we are not permitted to pay the benefits directly to persons entitled to them under circumstances described in Item 1 above, we will reimburse you for the benefits required to be paid.

3. ~~If you hire any employees to work outside Massachusetts or begin work or operations in any state other than Massachusetts, you must obtain any insurance coverage required by that state's laws, as this Limited Other States Benefit Endorsement does not satisfy the requirements of that state's workers' compensation insurance law.~~

4. This endorsement does not affect the payment of Massachusetts benefits under this Policy.

**IMPORTANT NOTICE!**

~~If you hire any employees to work outside Massachusetts or begin operations in any state other than Massachusetts, you must obtain insurance coverage in that state and do whatever else may be required under that state's law, as this Limited Other States Endorsement does not satisfy the requirements of that state's workers compensation insurance law.~~

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**Notes:**

1. Servicing carriers and voluntary direct assignment carriers must attach this endorsement to all policies issued through the Massachusetts Workers' Compensation Assigned Risk Pool. Voluntary carriers may, as an option, elect to attach this endorsement to any policy showing Massachusetts in Item 3.A. of the Information Page.
2. Enter "COVERAGE REPLACED BY ENDORSEMENT WC 20 03 06 **AB**" in item 3.C. of the Information Page.