



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

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**CIRCULAR LETTER NO. 1551**

To All Members and Subscribers of the Bureau:

**AGGRAVATED INEQUITY RULE  
REVISION OF LOSSES  
EXPERIENCE RATING PLAN (MASSACHUSETTS EXCEPTION)**

The Division of Insurance has approved a Massachusetts Exception to the Experience Rating Plan to apply to experience ratings effective 12:01 A.M., October 15, 1990 and thereafter, which attempts to recognize the insured aggravated inequities reflected in an experience rating when claim cases are closed between the prescribed date of evaluation as indicated in the Experience Rating Plan Manual and the effective or promulgation date of the rating, whichever is later.

Accordingly, the following wording shall constitute a Massachusetts Exception in the Experience Rating Plan Manual:

Amend Part Two Section D.4. Revision of Losses by adding:

- e. Where calculation of an experience modification based on reserves at normal valuation date and compared with cost of claims closed between such normal valuation date and next effective date of rating results in an aggravated inequity, the President of the rating organization, upon written request from an employer or employer representative within thirty days from the effective date of rating, or the date of rating promulgation, whichever is later, or within a reasonable time thereafter upon good cause shown, shall determine a revised experience rating modification, if any, upon filing a revised unit report by the carrier.

Application of revised experience modifications calculated according to a., b., c., d., and e. above is subject to Rule E.6. of Part Three of this Plan.

A corresponding change will be made in the Massachusetts Unit Statistical Plan.

The National Council on Compensation Insurance will distribute manual pages reflecting the changes required in the Experience Rating Plan Manual.

**NORMAN R. FONTAINE**  
Vice President

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