April 9, 1997

CIRCULAR LETTER NO. 1778

To All Members and Subscribers of the Bureau:

RATE DEVIATIONS AND DEPARTMENT OF INDUSTRIAL ACCIDENTS ASSESSMENT

The Department of Industrial Accidents has informed us that their assessment should be applied to premiums prior to the effect of any company deviations. As stated in Circular Letter No. 1756, the assessment rates should be applied to the standard premiums (at Bureau manual rates), prior to the effects of any ARAP surcharge or deductible credit.

HOWARD C. MAHLER
Vice President and Actuary

HCM/dc 3276
Via Facsimile

April 15, 1997

Mr. Howard C. Mahler
Vice President and Actuary
The Workers' Compensation Rating
and Inspection Bureau of Massachusetts
101 Arch Street - Fifth Floor
Boston, MA 02110

Dear Mr. Mahler:

I have reviewed your draft Circular Letter regarding rate deviations and DIA assessments. Your Circular Letter accurately reflects the Department's policy that the assessment should be applied to premiums prior to the effect of any company deviations, and to the standard premiums at bureau rates, prior to the effect of any ARAP surcharge or deductible credit.

I hope that this assists your efforts to release the Circular Letter.

Sincerely,

John F. Keefe
General Counsel
DIA