



*Massachusetts Workers' Compensation
Assigned Risk Pool*

June 17, 2016

**MASSACHUSETTS WORKERS' COMPENSATION
ASSIGNED RISK POOL**

NOTICE TO POOL CARRIERS 16-1

**UPDATES TO POOL PROCEDURES
FOR EXISTING POLICIES**

Please be advised that the following updates have been made to the Pool Procedures for Existing Policies, which can be found on the WCRIBMA's website, www.wcribma.org, in the Residual Market / Carrier Resources section:

- Page 4 – The mandatory Terrorism Endorsement was updated to the Terrorism Risk Insurance Program Reauthorization Act Disclosure Endorsement – WC000422B effective January 1, 2015. (This change was announced in Circular Letter 2252.)
- Page 5 – The Federal Employers' Liability Act Coverage Endorsement (Program 1) – WC000104A will not be available for use in the Residual Market effective July 1, 2016. (This change was announced in Circular Letter 2278.)
- Page 5 – The available Maritime Endorsement was updated to the Maritime Coverage Endorsement (Program 1) – WC000201B effective July 1, 2016. (This change was announced in Circular Letter 2278.)
- Page 5 – The available Outer Continental Shelf Land Endorsement was updated to the Outer Continental Shelf Lands Act Coverage Endorsement – WC000109C effective January 1, 2015. (This change was announced in Circular Letter 2233.)
- Page 5 – The Voluntary Compensation and Employers' Liability Coverage Endorsement (Program 2) – WC000311A will not be available for use in the Residual Market effective July 1, 2016. (This change was announced in Circular Letter 2278.)
- Pages 11-12 – The procedures regarding Certificates of Insurance were revised to account for the WCRIBMA's Certificate of Insurance Tool which was made available in September of 2015. (This was announced in Circular Letter 2263.)
- Page 21 – Under Reinstatement of Policy, to account for the change from receipt date to postmark date effective July 1, 2016 announced in Special Bulletin 04-16, and to clarify that premium received prior to the effective date of cancellation will reverse a cancellation when the cancellation was initiated by the carrier:
 - "...only if the assigned carrier receives the required premium prior to the effective date of cancellation" was changed to "...only if the required premium is postmarked prior to the effective date of cancellation".

- Page 21 – Under Renewal, to account for the change from receipt date to postmark date effective July 1, 2016 announced in Special Bulletin 04-16, and to clarify that premium received ‘by the due date’ means ‘prior to or on the due date’:
 - “If the assigned carrier receives the required deposit premium by the due date...” was changed to “If the required deposit premium is postmarked prior to or on the due date...”
 - “If the deposit premium is not received by the due date...” was changed to “If the deposit premium is not received prior to or on the due date...”
 - “If an assigned carrier does not receive the deposit premium prior to the expiration date of the current policy...” was changed to “If the deposit premium is not postmarked prior to the expiration date of the current policy...”
- Page 22 – Under Block Transfers, to account for the change from receipt date to postmark date effective July 1, 2016 announced in Special Bulletin 04-16, and to clarify that premium received ‘by the effective date’ means ‘prior to the effective date’:
 - “If the newly assigned carrier receives the required deposit premium by the effective date...” was changed to “If the required deposit premium is postmarked prior to the effective date...”
 - “If the required deposit premium is not received by the effective date...” was changed to “If the required deposit premium is not postmarked prior to the effective date...”
- Page 23-25 – Under Non-Negotiable Checks, to account (i) for situations when electronic payments are returned; (ii) for the change from receipt date to postmark date effective July 1, 2016 announced in Special Bulletin 04-16; (iii) to correct the prior procedures that stated that payment must be received by the due date in situations when a Notice of Cancellation was being issued; and (iv) to clarify that the premium must be received either ‘prior to the effective date of cancellation’ or ‘prior to or on the due date’, depending on the situation:
 - Introductory paragraph:
 - “When the carrier finds the deposit premium or other premium check is not covered by sufficient funds...” was changed to “When the carrier finds the deposit premium or any premium payment is not covered by sufficient funds or is declined for any other reason...”
 - The remainder of the paragraph was replaced with, “The carrier should follow one of the two sets of instructions outlined here, depending whether the policy has been issued or has not yet been issued.
 - If the policy has not yet been issued:
 - “If a check is returned as non-negotiable...” was changed to “If a deposit premium payment is returned as non-negotiable or is otherwise declined...”
 - “...there were insufficient funds to cover the deposit premium check...” was changed to “...their deposit premium payment was returned as insufficient or otherwise declined...”
 - “If the carrier does not receive a bank check or money order by the specified due date...” was changed to “If a bank check or money order is not postmarked prior to or on the specified due date...”

- “If the carrier receives the bank check or money order by the specified due date...” was changed to “If a bank check or money order is postmarked prior to or on the specified due date...”
- If the policy has been issued:
 - “If a deposit premium, installment or audit premium payment is returned as non-negotiable...” was changed to “If a deposit premium, installment or audit premium payment is returned as non-negotiable or otherwise declined...”
 - “(e.g., either the deposit premium check, an installment check or an audit payment check is insufficient)” was removed because it was redundant.
 - “...there were insufficient funds to cover the check...” was changed to “...their premium payment was returned as insufficient or otherwise declined...”
 - For policies that have not previously been cancelled for nonpayment: “...if the carrier receives a bank check or money order for the full amount of the non-negotiable check by [Due Date],...” was changed to “...if a bank check or money order for [The Amount of the Payment That Was Declined] is postmarked prior to the effective date of cancellation,...”
 - For policies that have previously been cancelled for nonpayment and reinstated: “...the carrier will advise the insured that a bank check or money order for [The Full Amount of All Outstanding Premium on This Policy] must be received by the carrier by [Due Date]...” was changed to “...the carrier will advise the insured that if a bank check or money order for [The Full Amount of All Outstanding Premium on This Policy] is postmarked prior to the effective date of cancellation,...”
 - “If the carrier does not receive a bank check or money order by the due date,...” was changed to “If the required bank check or money order is not postmarked prior to the effective date of cancellation,...”
 - “If the carrier receives the required bank check or money order by the due date,...” was changed to “If the required bank check or money order is postmarked prior to the effective date of cancellation,...”
- Throughout the document, some editorial and grammatical changes were made:
 - ‘Massachusetts Workers’ Compensation and Employers’ Liability Insurance Manual’ was consistently abbreviated to ‘MA Manual’.
 - Basis of Premium was capitalized.
 - Newly issued Circular Letters were added to the lists of Additional References.

If you have questions, please contact me at either 617-646-7594 or dcrowley@wcribma.org, Mary Travers DePierro at either 617-646-7582 or mtravers@wcribma.org, or Christine Cronin at either 617-646-7544 or ccronin@wcribma.org.

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