

5222.2003 TIME FOR FILING NOTICE.

Subpart 1. **Policy issuance.** Notice of coverage must be filed by the insurer within ten days of issuance (effective date) of a policy or 20 days of issuance (effective date) of a binder or acceptance of an employer's application for insurance, whichever is earlier.

Subp. 2. **Cancellation.** Notice of cancellation, termination, or expiration must be filed by the insurer at the same time that notice is given to the insured, or, if cancellation is initiated by the insured, upon receipt of notice from the insured. The policy shall remain in effect for 30 days after the insurer's filing of notice, or, if sooner, until another policy or binder is issued by the same carrier or a different carrier.

Subp. 3. **Receipt of notice.** Filing is effective upon receipt by the Minnesota Workers' Compensation Insurers Association, Inc. (MWCIA) of a notice that complies with part 5222.2001. Notices received by the commissioner will be forwarded to the MWCIA and will not become effective until received by that organization.

Subp. 4. **Failure to timely file.** If an insurer fails to file timely notice, other than a notice of cancellation, termination, or expiration provided for in subpart 2, as required by parts 5222.2000 to 5222.2006 on five percent of all policies for which such notices are due in any calendar month, if greater than five notices, it shall be subject to the sanctions described below. If the commissioner determines that an insurer has exceeded this percentage on more than one occasion in any 12-month period, the commissioner shall issue a warning letter advising the insurer of its responsibilities under the law, and the effect of future noncompliance.

If the commissioner determines that an insurer has exceeded this percentage on more than two occasions in any 12-month period, the commissioner may require the insurer to provide to the commissioner a written description of the steps the insurer will take to implement changes in the insurer's notice filing procedures to prevent future untimely delays and periodic written reports as to the progress and success of the implementation of such procedures.

If the commissioner determines that an insurer has exceeded this percentage on more than four occasions in any 12-month period, the commissioner may in addition to the other actions identified in this subpart notify the Department of Commerce and request a review of the insurer's authority to write workers' compensation insurance in Minnesota. This subpart does not affect the insurer's continued liability on the policy, as determined by law, for failure to timely file.

Statutory Authority: *MS s 176.185; 176.83*

History: *11 SR 1505*

Published Electronically: *June 11, 2008*