

2740.2500 LEVY OF ASSESSMENTS.

Subpart 1. Annual. The association shall make an annual determination of each contributing member's liability, if any, and may levy assessments following each fiscal year end. The fiscal year ends on December 31 unless the association establishes a different fiscal year end. Assessments are due and payable 30 days after receipt of a written assessment notice.

Subp. 2. Interim. The association may also, upon approval of the commissioner, levy interim assessments when deemed necessary to assure the financial capability of the association to meet the incurred or estimated operating and administrative expenses of the association and losses resulting from the state plan. Interim assessments shall be due and payable within 30 days of receipt by a contributing member of a written interim assessment notice.

Subp. 3. Member share. The association shall levy each contributing member's share of the total assessment based on the ratio of: the contributing member's total premium for accident and health insurance business as defined in part 2740.2100, subparts 1 and 2, received from or on behalf of residents of Minnesota, as determined by the commissioner; to the total premium for accident and health insurance business for all contributing members.

Subp. 4. Costs and charges. The costs and charges referred to in the ratio in subpart 3 shall, to the extent possible, be determined by reference to a form issued by the association or the commissioner which all contributing members shall submit to the commissioner annually for the preceding calendar year.

A. If the required information is not available to the commissioner when necessary to levy an assessment, the commissioner may estimate the member's share based on other available information relative to its experience, including but not limited to, the annual statement that all insurers are required to transmit to the commissioner under Minnesota Statutes, section 60A.13.

B. The commissioner shall have the authority to audit the accounts and records of any contributing member for the purpose of obtaining information necessary to levy an assessment.

Subp. 5. Discretionary waiver. The board may, in its discretion, decline to levy assessments against contributing members that owe \$10 or less in a given year.

Statutory Authority: *MS s 62E.09*

History: *10 SR 474*

Published Electronically: *October 8, 2007*