



THE COMMONWEALTH OF MASSACHUSETTS
EXECUTIVE OFFICE OF LABOR AND WORKFORCE DEVELOPMENT
DEPARTMENT OF INDUSTRIAL ACCIDENTS

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CIRCULAR LETTER NO. 350

TO: All Interested Insurers

FROM: Linda Edmonds Turner, PhD, Director

RE: Circular Letter No. 350 – Revised Assessment Filing Process

DATE: September 19, 2016

Pursuant to M.G.L. c. 152, § 65(4), the Department of Industrial Accidents (“the Department”) must annually determine the Special Fund and Workers’ Compensation Trust Fund assessment rates to correctly assess eligible Massachusetts insured employers and self-insured groups. To improve the accuracy and efficiency of the assessment reporting system contained in M.G.L. c. 152, § 65(5), the Department will implement certain changes in the quarterly assessment data filing process for insurance companies and self-insured groups. The revised procedures announced in this Circular Letter supersede and replace the previously announced procedures contained in the original version of Circular Letter No. 348, which was issued on April 29, 2015.

Under the revised assessment data filing process, the Department will:

- Modify the template used by each insurance company (“Insurer”) and self-insured group (“SIG”) to provide a detailed policy listing on one form to support the information reported to the Department on the Form 50 and Form 51, respectively. The modified template can be accessed here [[policy detail template](#)]. For policies containing more than one employer name, address or Federal Employer Identification Number, the information provided on the detailed policy listing submitted to the Department shall be the information listed on page 1 of the standard policy.
- Implement a system-generated validation of the information submitted via the template by comparing the information against the amount listed on the Form 50 or Form 51. This will assist in significantly reducing submission errors.
- Standardize the formatting of the DIA assessment rate by establishing that the assessment rate shall be rounded to four (4) decimal places. All DIA documents shall be revised to accommodate four decimal places and the

historical assessment rate table shall be adjusted to ensure uniformity, with the addition of a “0” to be added after the last existing number in each year to ensure that there is no actual change in historical rates. In recognition of the additional time that it may take for Insurers to adjust their systems, this change shall become mandatory for reporting purposes in 2017, with the quarter beginning July 1, 2017.

- Limit adjustments reported by Insurers and SIGs to eighty-four (84) months from the inception date of the policy. The eighty-four (84) month limitation period shall be effective beginning with the assessment filing for the quarter ending March 31, 2017.

Pursuant to M.G.L. c. 152, § 65(5), insurance companies are required to bill and collect assessments from insured employers and transmit the assessments collected during each quarter to the Department. Similarly, self-insured groups (“SIGs”) must pay assessments due each quarter to the Department. Assessments may be remitted on a net basis, meaning that Insurers and SIGs may include credits calculated during the reporting quarter based on audits of past policies or other adjustments. However, Insurers and SIGs are reminded that the Office of Assessments may inquire into the appropriateness of any adjustments and that all Insurers and SIGs are responsible for producing any necessary documentation to substantiate the reported adjustments.

The revised template and the new system generated validation announced in this Circular Letter shall be available for use by Insurers and SIGs for the assessment filing for the quarter ending September 30, 2016 and shall be mandatory for assessment filings for the quarter ending June 30, 2017 and thereafter.

For questions or additional information, please contact Aalana Feaster, Director of Insurance, at (617) 626-5468 or by e-mail at afeaster@detma.org.