

## BULLETIN

January 13, 2011

Contact: Ms. Deborah Rojan  
Manager, Underwriting Services  
Ext. 169, [drojan@nycirb.org](mailto:drojan@nycirb.org)

R.C. 2261

To: The Members of the Board

RE: New York Workers Compensation & Employers Liability Manual  
Letters of Authority – Update to Procedure  
Effective Date- January 7, 2011

The Underwriting Committee of the New York Compensation Insurance Rating Board has authorized, and the New York State Insurance Department has approved, an amendment to the New York Workers Compensation & Employers Liability Manual updating language contained on page D-2 with regard to Letters of Authority.

When a Letter of Authority is required, by the Rating Board, it has become increasingly difficult to certify the authenticity of the letter, specifically in cases where it is received via e-mail or fax. In order to appropriately apply this requirement, the Rating Board will now only accept “Letters of Authority” sent via regular mail.

This amendment, attached for your reference, is shown in the Digest of Rulings and Interpretations, Section I, Page D-2 of the NY WC & EL Manual. This change will also be included in an updated version of the New York Workers Compensation & Employers Liability Manual which is available via our website at: [www.nycirb.org](http://www.nycirb.org).

Very truly yours,

Monte Almer

President

WVT:tg  
Encl.

f. **Non-Experience Rated Risks**

A policy for a non-experience rated risk may be written in accordance with classification procedures contained in this manual, as supplemented by rulings and interpretations published in the Digest or in bulletins issued by the Rating Board. For these risks, prior Rating Board approval to use a specific classification is not required unless the classification(s) is an a-rated classification, the classification requires specific Rating Board approval or the classification(s) has been authorized for the risk.

2. **Experience Rated and Merit Rated Risks**

If the Rating Board has promulgated either an experience rating or merit rating factor, a carrier is required to issue a policy with the applicable factor. *Refer to the New York Experience Rating Plan Manual for rules and procedures applicable to the Experience Rating Plan and the Merit Rating Plan.*

**B. WRITTEN INQUIRIES**

★ The Rating Board will respond to written inquiries received from the insured, insuring carrier, agent or broker of record for a particular insured or other authorized representative designated by the insured, provided that there is evidence of coverage for the policy term in question, and such inquiry is received within twelve months of the expiration date of the policy term in question. All other individuals must furnish the Rating Board with a letter of authority from the insured, written on the insured's stationery, authorizing such individual as its representative and signed by an officer, partner or principal of the business. Only hard copy submissions of these requests will be accepted.

**Note:** The Rating Board will *not* consider a change in classification(s) for an insured that may have been improperly classified when the inquiry is received at the Rating Board later than twelve months *after* the expiration date of the policy term in question.

**C. TELEPHONE INQUIRIES**

★ The Rating Board will discuss, over the telephone, matters such as classification assignments, manual rule interpretations, ownership rules, experience modifications and merit rating factors relating to an individual insured *only* with the insuring carrier, the agent or broker of record or the insured. All other individuals must furnish the Rating Board with a letter of authority from the insured, on the insured's stationery, authorizing such individual as their representative and signed by an officer, partner or principal of the business. Only hard copy submissions of these requests will be accepted.

General inquiries, not regarding a particular risk, are answered by a Rating Board employee who is knowledgeable in the specific nature of the call.

Comments or views expressed by the Rating Board relating to an individual risk are not binding and must be regarded as advisory suggestions.

**D. NOTICE OF CLASSIFICATIONS CHANGED BY THE RATING BOARD**

When a change in classification is warranted following a routine, random or requested inspection of a risk, the change in classification is effective for the term of insurance in effect at the time the inspection was conducted as well as for the current term of insurance, if not the same. The Rating Board is also permitted to make a change in classification for the twelve-month period preceding the actual date of inspection if the change is warranted for such term of insurance.

Notification of the change will be given to the insurance carrier(s) that insured the risk for the term(s) of insurance that are affected by the change. If the carrier(s) disagree with the Rating Board's determination, the carrier(s) may request, in writing, a reevaluation of the classification assignment stating the reason(s) for their disagreement.