April 8, 2020

R.C. 2510

Re: Release of the Rating Board’s Policyholder Letter of Authority Application

Members of the Rating Board:

I am pleased to inform you that the Rating Board’s new Policyholder Letter of Authority online application has been released today, April 8, 2020. This web-based application allows New York State policyholders to complete and electronically submit letters of authority to the Rating Board.

Letters of authority authorize the Rating Board to release employer-related information to third parties such as agents and brokers.

To access the Policyholder Letter of Authority application, please visit “Broker & Employer > Letter of Authority” on the Rating Board’s website.

In connection with this new application, the New York State Department of Financial Services approved amendments to the Rating Board’s New York Workers’ Compensation and Employers’ Liability Manual (“Manual”) and Experience Rating Plan permitting letters of authority to be submitted via online application. The approved amendments referenced herein are enclosed: Manual Digest Section I – Page D-2; and Experience Rating Plan Rule 1 – Page R-3.

If you have any questions, please contact Mr. Philip Louie at (212) 697-3535, ext. 182, or at loa@nycirb.org.

Very truly yours,

Jeremy Attie
President and CEO

Enclosures
8. Unity (1.00) Factor
   A unity (1.00) factor may apply to a risk for reasons including, but not limited to:
   - It does not qualify for experience rating. Refer to rule 2-A for premium eligibility requirements.
   - It does not meet the minimum data requirements. Refer to Rule 4-C for an explanation.
   - It is a new business with no data available for calculation of an experience rating modification.
   - It qualifies for experience or merit rating, with the calculation resulting in a 1.00 modification.
   - Data could not be provided as a result of an ownership change. Refer to Rule 3-E for an explanation.

D. ADMINISTRATION

1. The Rating Board determines the applicability of all Plan rules.

2. The experience rating modification is calculated, issued and, if necessary, revised by the Rating Board.

3. Unless otherwise provided by this Plan, experience rating modification issuance and revision is limited to the current and two preceding experience rating modifications.

4. The calculated experience rating modification factor is applied by the carrier(s) in accordance with this Plan, other applicable rules, statutes, and regulations.

5. The Rating Board publishes experience rating information for each eligible risk on a secure website. The carrier of record is provided access to the experience rating worksheets for its own insureds on this site. Producers, other carriers and all other registered subscribers may also access the website, but only the experience modification is available for these users. Registration for access to this website can be obtained by contacting the Accounting division of the Rating Board.

6. Individual insureds, employers, carriers, and other authorized representatives of record may request rating worksheets, as well as Employer Experience Reports, by contacting the Rating Services Operations Division of the Rating Board. Letters of Authority must be furnished to the Rating Board for non-authorized representatives of employers either: These requests must be in writing. For someone who is not the current representative of record, a signed letter of authorization must accompany the written request. The request and letter of authorization from the insured on the insured’s letterhead must be submitted to the Rating Board via mail (not fax or email) and Rating Services will only accept the original of the authorization letter. There is a fee charged for these services. Refer to the Rating Board’s website, www.nycirb.org, for a schedule of these charges.
   a. On the employer’s stationery, authorizing such individuals as their representative and must be signed by an officer, partner, or principal of the employer; or
   b. Through an online application available on the Rating Board’s website at www.nycirb.org.

E. APPEAL PROCESS

An insured, or its representative, (hereafter referred to as "insured"), may appeal the application of a rule or procedure contained in this manual. Rules or procedures are defined as those determinations, either by a carrier or the Rating Board, which establish the variables that define the policy conditions. Examples include: classification codes, ownership information, premium audits, and any other determination which may affect the policy.

To be considered for review, a written request explaining the reason(s) for the appeal must be submitted to the Rating Board. Upon receipt of the request for review, the following actions will be taken:

1. A staff member will review the request and respond to the insured within sixty (60) days, in writing, acknowledging receipt of the request, granting the insured its request or sustaining its original ruling.
2. The insured, if not satisfied with the outcome in 1. above, may then request, in writing, a conference with members of the Rating Board staff. The request must state the nature of the complaint and
e. 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, or the classification(s) was previously authorized for this 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. INQUIRIES

1. WRITTEN

The Rating Board will respond to written inquiries received from the authorized representatives. Authorized representatives include: insured, insuring carrier and agent or broker of record for a particular insured. It is necessary that the request relates to a valid policy term in question (evidence of coverage), and that such inquiry is received within twelve months of the expiration date of the policy term in question.

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.

2. TELEPHONE

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.

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.

C. LETTERS OF AUTHORITY

The Rating Board may, at its discretion at any time, exercise its right to request a Letters of Authority must be furnished to the Rating Board for regarding inquiries from those who are non-authorized representatives of the insured employers either:

1. On the employer’s stationery, authorizing such individuals as their representative and must be signed by an officer, partner, or principal of the employer; or

2. Through an online application available on the Rating Board’s website at www.nycirb.org. To obtain recognition as an authorized representative, it is necessary to 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 original documents, received via regular mail, will be accepted (photo copies are not acceptable).

D. NOTICE OF CLASSIFICATIONS CHANGED BY THE RATING BOARD

When a change in classification is warranted following a routine, random, or requested inspection or by internal Rating Board review 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.
8. **Unity (1.00) Factor**
   A unity (1.00) factor may apply to a risk for reasons including, but not limited to:
   - It does not qualify for experience rating. *Refer to rule 2-A for premium eligibility requirements.*
   - It does not meet the minimum data requirements. *Refer to Rule 4-C for an explanation.*
   - It is a new business with no data available for calculation of an experience rating modification.
   - It qualifies for experience or merit rating, with the calculation resulting in a 1.00 modification.
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6. Individual employers, carriers, and other authorized representatives of record may request rating worksheets, as well as Employer Experience Reports, by contacting the Operations Division of the Rating Board. Letters of Authority must be furnished to the Rating Board for non-authorized representatives of employers either:
   a. On the employer’s stationery, authorizing such individuals as their representative and must be signed by an officer, partner, or principal of the employer; or
   b. Through an online application available on the Rating Board’s website at [www.nycirb.org](http://www.nycirb.org).

E. **APPEAL PROCESS**

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1. A staff member will review the request and respond to the insured within sixty (60) days, in writing, acknowledging receipt of the request, granting the insured its request or sustaining its original ruling.

2. The insured, if not satisfied with the outcome in 1. above, may then request, in writing, a conference with members of the Rating Board staff. The request must state the nature of the complaint and contain any supporting documents. The appropriate Department Vice President or his or her designated representative, if appropriate, will preside at the conference.
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