



Dora

Department of Regulatory Agencies

Division of Insurance

Bulletin No. B-5.30

Workers Compensation Surcharges Associated with Lack of Participation or Non-Cooperation in Premium Audits

I. Background and Purpose

The purpose of this bulletin is to provide guidelines for insurers regarding the assessment of surcharges on employers who fail to participate or cooperate in a workers' compensation premium audit.

Bulletins are the Colorado Division of Insurance's ("Division") interpretations of existing insurance law or general statements of Division policy. Bulletins themselves establish neither binding norms nor finally determine issues or rights.

II. Applicability and Scope

This bulletin is intended for all licensed insurers in Colorado issuing workers' compensation insurance policies including Pinnacol Assurance.

III. Division Position

Existing law requires workers' compensation insurers and Pinnacol Assurance to file rating data with the Division pursuant to §§ 10-4-401(3)(b) and 10-4-403, C.R.S., and Colorado Insurance Regulation 5-1-10. Insurers are authorized under § 8-44-107, C.R.S. to examine the books of employers to determine the amount of wages an employer has paid in a given calendar year. Insurers shall file any charges, surcharges, or fees associated with the employer not participating in or failing to cooperate with a workers' compensation premium audit. Employers shall be notified at the time of policy issuance and renewal of a policy, and upon notice of a premium audit of the amount and existence of any surcharges and/or fees associated with an employer not participating in or failing to cooperate with a premium audit conducted by an insurer.

IV. Additional Division Resources

A. For More Information

Colorado Division of Insurance
Rates & Forms Section
1560 Broadway, Suite 850
Denver, CO 80202
Tel. 303-894-7499
Internet: <http://www.dora.state.co.us/insurance>

B. Related Division Regulations

V. History

- Issued July 26, 2011