



Dora
Department of Regulatory Agencies

Division of Insurance

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FOR IMMEDIATE RELEASE

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**COLORADO DIVISION OF INSURANCE ISSUES GUIDELINES FOR
FEES CHARGED FOR WORKERS' COMPENSATION AUDITS**

Denver--The Colorado Division of Insurance this week issued a bulletin directed at insurers that conduct workers' compensation audits.

Bulletin B-5.30 provides guidelines for insurers regarding the fees they charge when an employer fails to participate or cooperate in a workers' compensation audit.

Current law allows workers' compensation insurers, including Pinnacol Assurance, to examine the books for employers to determine the amount of wages paid by an employer in a given year. This is known as a premium audit. The insurers are allowed to assess a surcharge or fee when the employer fails to participate or cooperate with these audits. Under the bulletin, the non-participating employer must be notified at the time of the policy issuance, renewal, and when a premium audit is scheduled that the fees or surcharges may be assessed.

In addition, state law requires workers' compensation insurers and Pinnacol Assurance to file rating data with the Division. The bulletin clarifies that insurers also must file with the Division any fees or surcharges that result when an employer does not participate or cooperate with the premium audit. Those charges must be filed with the Division prior to implementation.

Bulletin B-5.30 can be found at <http://www.dora.state.co.us/insurance/regs/bulletin.htm>.

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

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*The **Colorado Division of Insurance** regulates the insurance industry and assists consumers and other stakeholders with insurance issues.*

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.