

NORTH CAROLINA RATE BUREAU

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August 26, 1994

CIRCULAR LETTER TO ALL MEMBER COMPANIES

Re: Workers Compensation Insurance

Item U-1306 - Subrogation and Special Fund Recoveries

The Bureau has adopted and the North Carolina Department of Insurance has approved a proposal to clarify the *Workers Compensation Statistical Plan* instructions for the reporting of corrections when subrogation recoveries are received and when special fund recoveries are anticipated or received.

There has been some ambiguity concerning the proper procedure for handling claims when a subrogation or special fund recovery occurred. The change in the *Workers Compensation Statistical Plan* gives more insurers explicit instructions for handling the correction of reports when recoveries are received.

Changes proposed by the captioned Item have been approved effective January 1, 1994, applicable to new and renewal policies.

Reprinted Manual pages will be distributed in the usual manner.

Very truly yours,

Jerry G. Hamrick

Workers Compensation Manager

JGH:lm

C-94-9