



**STATE OF NEW YORK  
INSURANCE DEPARTMENT  
160 WEST BROADWAY  
NEW YORK, NEW YORK 10013**

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Circular Letter No. 5 (1994)  
July 1, 1994

**TO: All Insurers Licensed to Write Workers' Compensation in New York State**

**RE: Annual Statement Reporting for Assessments and Assessment Surcharges Applicable to Workers' Compensation Policies**

Effective April 1, 1994, assessments made pursuant to Section 25-a, 15(8) and 151 of the Workers' Compensation Law, Section 60 of the Volunteer Ambulance Workers' Benefit Law, and Section 60 of the Volunteer Firefighters' Benefit Law shall not be considered as an element of loss in establishing workers' compensation rates. For ratemaking purposes, these assessments must be presented as a separate cost. For Annual Statement filing purposes, however, such assessments shall continue to be recorded as part of loss or loss adjustment expenses, and reserved for accordingly. As such, these assessments will flow through Schedule P.

The separate cost of such assessments is to be recouped by the insurer by a surcharge on the policy in accordance with rules established by the New York Compensation Insurance Rating Board. This surcharge is to be included as part of the premium written and reported as such in the Annual Statement. However, for statistical reports required by the New York Compensation Insurance Rating Board, the Board may require insurers to isolate the surcharge from the premium written.

Very truly yours,

SALVATORE R. CURIALE  
SUPERINTENDENT OF INSURANCE