

ADVISORY NO. 419

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TOPIC: CHANGES MADE IN DWC COMPLIANCE NOTICES

The Division of Workers' Compensation has agreed to make changes in its notification process on compliance matters. Carriers are now entitled to designate a compliance contact person for each underwriting company. Future notices of Enforcement Management Conferences as well as notices of proposed Consent Orders will be sent to that compliance contact person. The Division will retain its practice of sending a copy to the company's chief executive, but that letter will show that a copy has been sent to the compliance officer.

In addition, the Division has agreed in principle to help develop a process to allow our office to preview its Consent Orders before they are mailed to either the chief executive or the compliance contact person. Under this procedure, we will be permitted to review the proposed Consent Order for errors and omissions. In other words, we will be permitted to help the Division clean up the document before it goes out to a corporate representative.

Finally, the Division has agreed to redouble its efforts to timely place a copy of either the Notice of Enforcement Management Conference or Consent Order in our Austin Representative Box. These notices have not always been timely placed in our box as your Austin Representative. We are monitoring these carefully in our office and the Division has invited our input on its track record in meeting this obligation.

In order to designate a compliance contact person for your company or your underwriting companies please complete the attached spreadsheet and return it to Patsy Shelton at pgs@fol.com. In addition, please verify the identity and address of the chief executive for workers' compensation matters for your company or your underwriting companies. We will send this information to the Division on your behalf.

If you are comfortable that the Division's compliance notices are working well with your company, you need not return the spreadsheet to our attention. If you have any questions or suggestions about this process, please contact James Sheffield or Bobby Stokes.