

e. The notification of department and bureau of any entity status change resulting from ensuing reorganization;

f. The assumption of responsibility for immediately making direct compensation payments if a dispute arises over coverage; and

g. The payment of an employe's attorney's fees and lost wages resulting from a dispute.

3. If the owner is a corporation, it shall submit a certified copy of the resolution by the board of directors authorizing and directing the execution of the application and agreement.

4. If the owner is a subsidiary of a corporation, it shall submit a guaranty and agreement by the owner's ultimate or top parent company agreeing to promptly satisfy all of the requirements and obligations assumed by the owner on the wrap-up project in case of default by the owner.

(d) *Minimum requirements for designated wrap-up carrier.* 1. The designated wrap-up carrier shall submit an application on forms available from the department. If the application is approved, the department shall permit divided-insurance for each contractor and subcontractor scheduled to work on the wrap-up project.

2. The designated wrap-up carrier shall comply with all conditions and agreements in the application, including, but not limited to:

a. Informing each contractor's and subcontractor's insurance company either directly or through the bureau, at the bureau's discretion, of each one's responsibilities and the need for attaching a proper endorsement to the regular carrier's policy to exclude coverage for the wrap-up job site;

b. The issuance of each individual contractor's and subcontractor's wrap-up policy prior to the time the contractor and subcontractor begin work on the job site;

c. The notification of department and bureau of any entity status change resulting from ensuing reorganization;

d. Becoming the full risk insurer for any contractor or subcontractor not having purchased a worker's compensation policy during the time the contractor or subcontractor is under contract on the wrap-up project, except as to an employer granted self-insurance; and

e. Becoming the full risk insurer for any contractor or subcontractor not insured or self-insured while working on the wrap-up project.

3. The designated wrap-up carrier shall submit a certified copy of a statement from an officer authorizing and directing the execution of the application and agreement.

(e) *Application for contractors and subcontractors.* The owner shall submit an application for divided insurance on forms available from the department for each contractor and subcontractor scheduled to work on the project.

(em) *Waiver of requirements.* The department may waive one or more requirements in pars. (b) to (e) if it determines that a waiver will not impair the construction owner's ability to ensure minimum confusion

about insurance coverage and maximum safety on the construction project site.

(f) *Reimbursement for expenses incurred by department.* The department shall be reimbursed for those expenses incurred because of the designated carrier wrap-up program. Where the department specifically consents to divided-insurance or partial-insurance on a wrap-up project, the owner shall reimburse the department, within 30 days after the date of a written request by the department, a sum determined by the department not to exceed 2% of the total audited worker's compensation premium charged, with payment not to exceed 1% of the estimated worker's compensation premium upon initial request. If an additional levy is determined to be necessary, a request shall be made for a sum that results in a total charge not to exceed 2% of the total audited worker's compensation premium charged.

(g) *Inapplicability to other employers.* Subsection (3) does not apply to any group of employers other than those specified in this section on any other type of operations nor to any single contract or policy of insurance for any group or association of employers.

History: Cr. Register, September, 1982, No. 321, eff. 10-1-82; am. (2) (a) 1., (3) (b) 3. and (3) (d) 3., r. and recr. (3) (e), Register, September, 1986, No. 369, eff. 10-1-86; am. (2) (a) 2. to (c), Register, April, 1990, No. 412, eff. 5-1-90; cr. (3) (em), Register, April, 1994, No. 460, eff. 5-1-94.

Ind 80.65 Notice of cancellation or termination. Notice of cancellation or termination of a policy under s. 102.31 (1) (a), Stats., shall be given by certified mail or personal service to the Wisconsin compensation rating bureau, as defined in s. 626.02 (2), Stats., rather than to the department. Whenever the Wisconsin compensation rating bureau receives notice of cancellation or termination pursuant to this section, it shall immediately notify the department of cancellation or termination.

History: Cr. Register, September, 1982, No. 321, eff. 10-1-82.

Ind 80.67 Name or reorganizational change by insurer. (1) Any worker's compensation insurer planning a change of name or a corporate restructuring such as consolidations or merger shall notify the department and the Wisconsin compensation rating bureau at least 90 days before the date of the planned change or restructuring.

(2) After the change of name or corporate restructuring is accomplished the insurance carrier shall notify each of its insured employers of the termination or cancellation of the existing policies and shall file such notice with the Wisconsin compensation rating bureau unless the procedure set out in sub. (3) applies.

(3) As an alternative to the procedure set forth in sub. (2), any worker's compensation insurer planning a change of name or a corporate restructuring may make advance arrangements with the department and the Wisconsin compensation rating bureau for the following procedure:

(a) Each existing policy issued by the insurer shall be terminated on its expiration date by notice to the employer and the Wisconsin compensation rating bureau in accordance with s. 102.31 (1), Stats.

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(b) If the employer wishes to continue coverage, the reorganized insurer or the insurer with a new name shall file a new policy showing the new name and identity.

(4) Policies issued by an insurer to which sub. (1) applies shall not be endorsed for name change or for the reorganized insurer.

History: Cr. Register, September, 1986, No. 369, eff. 10-1-86.

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