



ANDREW M. CUOMO  
GOVERNOR

STATE OF NEW YORK  
WORKERS' COMPENSATION BOARD  
LITIGATION UNIT  
328 STATE STREET  
SCHENECTADY, NY 12305

(518) 402-9540



ROBERT E. BELOTEN  
CHAIR

May 28, 2013

**\*\*\*\*\*IMPORTANT – IMMEDIATE ATTENTION REQUIRED\*\*\*\*\***  
**FAILURE TO RESPOND MAY ADVERSELY AFFECT YOUR COMPANY'S**  
**BUSINESS OPERATIONS IN NEW YORK STATE**

Greetings Former CRISP Members and Attorney Representatives:

As discussed at the April 16, 2013 Community Residence Insurance Savings Program (CRISP) membership meeting, The New York State Workers' Compensation Board (Board), along with the assistance of CRISP employer attorneys, have drafted a Memorandum of Understanding (MOU) agreement which provides an alternate payment arrangement for Former CRISP Members for twenty-four (24) months, beginning **July 1, 2013**. If this correspondence has reached a company currently represented by counsel, please forward these documents to your attorney for their review as we are currently unaware of the representation.

As indicated at the membership meeting, the MOU will take the place of the Deficit Assessment Contractual Agreement (DACA), as provided in the Board's March 27, 2013 mailing, for those employers which wish to enroll. Please note that the DACA is still the only agreement which provides for a 5% discount to those employers who wish to pay their March 2013 deficit assessment in full. The MOU, however, provides an initial 24 month payment plan which carries 0% interest and a minimum payment of 65% of the lowest invoice amount sent to you in March. The MOU, while allowing for interest free payments over the next two years, does not forgive or release any company from the remaining deficit assessment amounts owed in connection to your former workers' compensation group self-insurance trust, CRISP. A hardship program is available and is discussed below. Please take special note, the MOU period is scheduled to begin on **JULY 1, 2013**. As such, MOUs and payments must be received by **JULY 1, 2013**.

Following the conclusion of this two year MOU, the Board will present long term repayment options for the remaining amounts owed under the deficit assessments for those agencies which require them. These terms will likely extend to 10 years with favorable interest rates. For MOU participants, no interest will begin to accrue until following the MOU period. For those members who do not participate in a repayment agreement, or do not pay their deficit assessment in full, interest will accrue at an annual rate of 6%, compounded monthly, and be subject to a legislatively authorized collection fee of up to 22%.

## INSTRUCTIONS TO ENROLL

- 1) Assess the contents of this packet. In addition to this letter, you should find two (2) copies of the MOU and an Attachment "A". Please note that if you are one of the eight retention members, your packet will also contain an Attachment "B". Since there are more than 340 agencies and employers in CRISP, most packets will not contain an Attachment "B". There may also be more than one Attachment "A". Some employers operated multiple agencies, changed names, or were members of CRISP during different periods of time. These changes will result in multiple Attachment "A"s.
- 2) Read and review the MOU. The MOU will affect the legal rights of both the Former CRISP Members and the Board. Please note, each company must be enrolled in a repayment agreement pursuant to the MOU or DACA, or repay their assessment in full pursuant to no agreement, or adverse actions will be taken to recover the assessment amounts from your company. This includes, but is not limited to: judgments, information subpoenas, stop-work orders, and collection actions.
- 3) Read and review the Attachment "A" (and Attachment "B" if applicable). The amount in the right-most column is the monthly payment amount for your agency. If there is more than one row in the right-most column, or if you have multiple Attachment "A"s, add each amount and the total is your monthly payment at the 65% rate. For those members who received an Attachment "B", repeat this same process.
- 4) If you would like to enroll in the MOU, provide contact information on page four (4) of the MOU. Let us know who we should contact from your agency or firm regarding the on-going efforts to financially restore CRISP.
- 5) At the last page of the MOU, have an authorized representative of your agency sign the MOU and provide the agency information and title.
- 6) Repeat steps 3, 4, and 5 with the second copy of the MOU. Make a photocopy of the MOU and your attachments for your business records.
- 7) Mail the two copies of the MOU with original (wet) signatures, along with the Attachment "A"s (and "B"s), to the NYS Workers' Compensation Board by **JULY 1, 2013** at:

NYS Workers' Compensation Board  
Litigation Unit C/O Katherine Dingman  
328 State Street  
Schenectady, New York 12305

\* Please mail MOU packages via UPS, Fed Ex, or certified mail

- 8) Make all checks out to "CRISP Trust" and mail your July payment, and 23 subsequent payments, to our third-party administrator at:

NCA Comp, Inc.  
Rand Building, Suite 700  
14 Lafayette Square  
Buffalo, New York 14203

Within 30-60 days following receipt of your signed MOU, NCA Comp, Inc. will begin invoicing your agency monthly at the MOU 65% rate.

## **HARDSHIP APPLICATION**

To apply for an economic hardship reduced payment plan, please find the application and instructions at:

[http://www.wcb.ny.gov/content/terminated-self-insured-trusts/DocumentsToPrint/CRISP\\_Trust/CRISP\\_Trust.jsp](http://www.wcb.ny.gov/content/terminated-self-insured-trusts/DocumentsToPrint/CRISP_Trust/CRISP_Trust.jsp)

\*Please take note that this link is case-sensitive.

Do not apply for an economic hardship if your average monthly receipts are more than your average monthly expenses plus minimum monthly assessment installment or your ratio of current assets to current liabilities is more than 2 to 1. If approved for a hardship payment plan, your payment will be reduced to 50% of the amounts listed in the enclosed attachments. Full MOU payments must be made while awaiting the Board's determination of economic hardship. We endeavor to respond to any hardship application within 30 days. A hardship application must accompany a signed MOU to be considered and please follow the instructions provided on the website. Failure to provide required documentation will result in a denial.

## **ADDITIONAL INFORMATION**

An attorney who represents multiple agencies, and has power of attorney to sign on behalf of multiple agencies, need only submit two copies of the signed MOU so long as he or she affixes the Attachment "A"s (and "B"s) of all CRISP agencies which they represent to the MOUs. An owner, principle, or executive officer of multiple agencies, who has signatory authority for those agencies, may also submit two copies of the signed MOU so long as he or she affixes the Attachment "A"s (and "B"s) of all CRISP agencies which they represent to the MOUs.

Should any agency, attorney, or representative of any CRISP agency have questions regarding this MOU or the instruction, please feel welcome to contact Marc Kokosa at (518) 402-6135 or [Marc.Kokosa@wcb.ny.gov](mailto:Marc.Kokosa@wcb.ny.gov) .

Best regards,

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