



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

July 25, 2019

NOTICE TO WORKERS' COMPENSATION INSURERS and PRODUCERS

CONCERNING

CHANGES TO TREATMENT OF

SINGLE MEMBER LLC's FOLLOWING

GOULD v. CITY of STAMFORD, 331 Conn. 289 (2019)

As a result of the recent Connecticut Supreme Court ruling in *Gould v. City of Stamford*, 331 Conn. 289 (2019), the Workers' Compensation Commission ("WCC") and the National Council of Compensation Insurance ("NCCI") have issued guidance concerning the election by a member of a single-member LLC to be excluded for from coverage under the Connecticut Workers' Compensation Act (the "Act"). In *Gould*, the Supreme Court ruled that single-member LLCs are not required to elect to accept the provisions of the Act and are, therefore, automatically covered. Workers' Compensation Commission forms 6B and 75 have been amended accordingly.

NCCI State Information filing dated July 8, 2019 (FYI-CT-2019-01) provides that single-member LLCs are not required to elect to accept the provisions of the Act. As a result of *Gould*, a member of a single member LLC is automatically covered under the Act and, to be excluded from coverage, must file Form 6B with the Workers' Compensation Commission. NCCI indicates that it is preparing an item filing to update its Manual Rules.

The Connecticut Insurance Department (the "Department") is directing insurers *not* to charge additional premium for the member of the single-member LLC who, prior to *Gould* was not covered by the Act and, following *Gould*, elects to be excluded from coverage and properly files the WCC Form 6B. The Department anticipates that the NCCI rules will generally provide that single-member LLC's will have forty-five (45) days from the date they are notified by their insurer to elect to be excluded from coverage under these new rules. Single-member LLC's that elected to be covered by the Act prior to *Gould* will continue to be covered and will not be able to elect to be excluded until policy renewal.