

*APPLICATION FOR APPROVAL
OF WORKERS' COMPENSATION
SELF-INSURANCE PROGRAM*



STATE OF RHODE ISLAND
DEPARTMENT OF LABOR & TRAINING
WORKERS' COMPENSATION SELF-INSURANCE UNIT
PO BOX 20190
CRANSTON, RI 02920-0942
TELEPHONE (401) 462- 8100
FAX (401) 462- 8095
TDD (401) 462- 8084

SECTION I

Applicants Name _____ Street Address _____

City or Town _____ State _____ Zip Code _____ Telephone _____

Name and Address of Business in Rhode Island (if different from above):

The above business hereby requests authorization to make payments of compensation directly to injured employees in accordance with and pursuant to the provisions of the General Laws of Rhode Island, Title 28, Chapters 29-38, inclusive, as amended.

In support of this application, the said business submits the following information:

1. State of incorporation: _____

2. Principal Rhode Island business activity: _____

3. Date of qualification to do business in Rhode Island: _____

4. OFFICERS: Name Residence

President: _____

Vice-Pres.: _____

Secretary: _____

Treasurer: _____

5. Total number of persons employed or assigned to offices, agencies, or places of business within Rhode Island: _____

6. Name, Address, and Telephone Number of Agent for Service of Process in **RHODE ISLAND**:

***INITIAL APPLICATION FEE \$ _____ SEE SCHEDULE**

***MUST BE SENT WITH APPLICATION – SEE INSTRUCTION SHEET**

SECTION II

The data requested within this section is required to be presented to the Department for the purposes of reviewing an Applicant's past history as an insured, and to test the Applicant's program design and financial mechanisms as a proposed self-insurer under the rules and regulations of the State of Rhode Island, Department of Labor & Training, RI Workers' Compensation Self-Insurance.

NO APPLICATION WILL BE CONSIDERED WITHOUT THE FOLLOWING ATTACHED THERETO:

1. Initial application fee, payable to RI Self-Insurance Unit, Dept. of Labor & Training.
2. The most recent corporate year-end financial statement; the annual report to stockholder; and a copy of the Rhode Island Business Tax Return.
3. A description of the Applicant's Workers' Compensation program and its financial results for a period of five years preceding the Application to include the following:
 - A. Description of Insured Workers' Compensation Plan – i.e., guaranteed cost; loss/ratio divided plan; or retrospective rating plan (incurred loss retro, paid loss retro, combination retro and divided plan).
 - B Insurance company/corporate audits, to include:
 - ❖ Final actual payroll
 - ❖ Rates and premium for each classification
 - ❖ Experience modification
 - ❖ Audited gross premiums
 - ❖ Reductions for credits and/or premium discount
 - ❖ Voluntary placement or assigned risk
 - C. Loss experience, to include:
 - ❖ A listing, presented on insurance company and/or corporate stationary, of claims experience to include: number of claims by medical only and lost work-day cases; expenditures to date; and reserves for all outstanding and anticipated claims. The losses are to be at a valuation date no later than three (3) months prior to application. *** IF APPROVED AS A CERTIFIED SELF-INSURED, APPLICANT MUST BE DAY TO DAY ON RESERVES FOR CLAIMS.**
 - ❖ A narrative, presented on insurance company/corporate stationary, of any loss paid or outstanding greater than \$10,000. Such narrative to include cause of loss, medical diagnosis, prognosis for return to work, and details of any litigation pending.
 - ❖ For retrospective rating programs, the latest adjustment report of additional or return premiums developed for each of the past five years contract period coverage.
 - D. **FEASIBILITY STUDY OR STUDIES FROM SOURCES SUCH AS ADVISORS, AGENTS, BROKERS OR ACTUARIAL SERVICE MAY BE CALLED FOR AT EXPENSE OF APPLICANT IF NOT SUBMITTED VOLUNTARILY WITH INITIAL APPLICATION.**
4. Details of proposed method of funding for losses incurred as a self-insurer, to include reserving practices.

5. Method of administration; Basic questions to be considered. Use additional company letterhead to provide details as needed.
 - A. Will the program be administered internally or will you contract and administrator? It is permissible to control internally. Administrator, TPA or advisor, broker must be approved in writing by the Department of Labor & Training, Self-Insurance representative.
 - B. What company will provide claims handling service? Licensed in RI? If not certified by our Department, certification must be done prior to inception of self-insurance.
 - C. Name, address, telephone number and qualifications of all personnel with responsibility and authority to process and pay claims for the applicant.
 - D. What company will provide loss prevention and control activities? Address?
 - E. Can you secure specific and aggregate stop loss reinsurance? Specific only?
 - F. Who will provide legal services for WC Court in RI?
 - G. Has an actuarial report or feasibility study been conducted to determine your future expected loss levels? If so, please attach.
 - H. Do you contemplate internal funding or will you escrow funds for future claims payment with a trustee?
 - I. Are you contemplating any changes in management, or a reduction or expansion of business activities and employment?
 - J. Describe an occupational disease exposure that may effect the health of your employees.
 - K. You must report your recent or current EPA allegations, lawsuits, violations and abatements.
6.
 - A. Current in force copy of general liability policy showing limits; deductibles; exclusions and/or warranties; limitation clauses if any and/or in connection with and/or subject to umbrella or similar provisions.
 - B. Proposed Acquisition: Any additional liability for workers' compensation contemplated must be approved by the Director or designee prior to implementation and inception of self-insurance for RI employees.
 - C. Discussion and notice at pre-approval hearing with the Director or designee of pending and/or anticipated lawsuits of any kind that may have a bearing on payment for RI employee worker's compensation claims.
7. Claims processing and payments may be allowed by the Department's Self-Insurance Unit for non-licensed individuals and internally by the individual self-insured company personnel (and/or Parent personnel) IF SUCH PERSONNEL HAVE BEEN APPROVED AND CERTIFIED BY THE SELF-INSURANCE UNIT, STATE OF RHODE ISLAND, DEPARTMENT OF LABOR & TRAINING. Such personnel must meet requirements of the Department to include but not limited to minimum once a year update refresher claims classwork and testing by the Department.

ONLY CERTIFIED PERSONNEL CAN PROCESS RI CLAIMS FOR SELF-INSURED.

CERTIFICATION

This certification must be executed and the application must be sworn to before a person authorized to administer oaths.

I, the undersigned, Treasurer (or other duly authorized officer) of the corporation or company for which this application is made, hereby certify that I have personal knowledge of the statements and other information constituting this application, that the same are true, correct, and complete to the best of my knowledge and belief, and that this application is made under the penalty of perjury.

Date: _____

Signature of Treasurer or other duly authorized officer
(title)

Subscribed and sworn to before me this _____ day of _____, _____

NOTARY PUBLIC

DLT is an equal opportunity employer/program - auxiliary aids and services available upon request. TTY via RI Relay: 711

RI SI-2

12/99 EDITION