Department of Business and Industry

NEVADA DIVISION OF INSURANCE

1818 College Parkway, Suite 103, Carson City, Nevada 89706 **Phone:** (775) 687-0700 **Fax:** (775) 687-0787 **Web:** doi.nv.gov

Informational Filing for Large Deductible Workers' Compensation Programs

In accordance with the Commissioner's bulletin dated May 24, 2000, insurers are required to file each risk that is written with a Large Deductible ($25,000 or greater). Please use this form for your filing:

A) Name of Insurer		
Insurer Nevada ID	**Insurer NCCI ID**	
Name of Insured		
Insured NCCI Risk ID Number		
Policy Number	**Policy Effective Date**	**Policy Term Date**
Size of Deductible		
B) TPA Name for the Claims Office in Nevada: Please check one of the following:		
☐ **TPA (Must have NV office NRS 616B.500)** ☐ **Carrier (Must have Nevada Certificate of Authority Bulletin 98-001)**		
Address for the Claims Office in Nevada		
City, State, Zip for the Claims Office in Nevada		
Phone Number for the Claims Office in Nevada	**Email**	

NRS 616B.027 1. Every insurer shall:

(1) A complete file, or a reproduction of the complete file, of each claim is accessible, in accordance with the provisions of NRS 616B.021;

(a) Provide an office in this State operated by the insurer or its third-party administrator in which:

(2) Persons authorized to act for the insurer and, if necessary, licensed pursuant to chapter 683A of NRS

(3) An employee of a private carrier who is licensed as a company adjuster pursuant to chapter 684A of NRS or a person who acts as a third-party administrator pursuant to chapters 616A to 616D, inclusive, or chapter 617 of NRS for a private carrier who administers a claim arising under chapters 616A to 616D, inclusive, or chapter 617 of NRS from a location outside of this State pursuant to subsection 1 of NRS 616B.0275 shall make himself or herself available to communicate in real time with the claimant or a representative of the claimant.

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Supplemental Information for Large-Deductible Workers' Compensation Programs

Assembly Bill 83 (AB 83) was passed by the 2017 Nevada State Legislature and changed the requirements of large-deductible workers' compensation filings. These changes, contained in Sections 35, 37, 38, and 39 of AB 83, became effective for large-deductible workers' compensation agreements issued or renewed effective on or after January 1, 2018. As a result of the law change, insurers must now provide the following information with each submission of the "Informational Filing for Large-Deductible Workers' Compensation Programs", Form NDOI-1112 (July 2017).

- ***FOLLOW THE INSTRUCTIONS FOR THIS FORM TO SEE WHICH RESPONSES ARE REQUIRED. RESPONSES TO ANY REQUIRED QUESTION MUST BE DOCUMENTED.***
- ***THIS FORM IS NOT APPLICABLE TO LARGE-DEDUCTIBLE AGREEMENTS ISSUED TO ANY FEDERAL, STATE, OR LOCAL GOVERNMENT ENTITY.***

1. Insurer Surplus

What is the amount of insurer's surplus as of the insurer's latest Annual Statement or Quarterly Statement (whichever is later)?

_____

(SURPLUS IS CALCULATED AS THE DIFFERENCE BETWEEN THE INSURER'S NET ADMITTED ASSETS AND THE INSURER'S TOTAL LIABILITIES.)

- ***IF THE INSURER'S SURPLUS IS $200,000,000 OR GREATER, STOP. YOU DO NOT NEED TO FILL OUT THIS FORM FURTHER.***
- ***IF THE INSURER'S SURPLUS IS LESS THAN $200,000,000, PLEASE PROCEED TO THE REMAINING QUESTIONS.***

2. Insurer Financial Strength Rating

(i) Does the insurer have a rating of less than "A-" from A.M. Best Company, Inc.? _____
(ii) What is the insurer's rating, if any, from A.M. Best Company, Inc.? _____
(iii) If the insurer is **not** rated by A.M. Best, please provide the name and address for a rating agency that has issued an equivalent type of rating to the insurer, as well as the specific financial strength rating that this agency has issued to the insurer:
Name: _____
Address: _____
Rating Issued by Agency to Insurer: _____

- ***IF THE INSURER'S RATING FROM A.M. BEST IS "A-" OR BETTER, OR IF THE INSURER HAS AN EQUIVALENT FAVORABLE RATING FROM ANOTHER RATING AGENCY, STOP. YOU DO NOT NEED TO FILL OUT THIS FORM FURTHER.***
- ***IF THE INSURER EITHER DOES NOT HAVE A FINANCIAL STRENGTH RATING, HAS A RATING OF LESS THAN "A-" FROM A.M. BEST, OR HAS AN EQUIVALENTLY UNFAVORABLE RATING FROM ANOTHER RATING AGENCY, PLEASE PROCEED TO THE REMAINING QUESTIONS.***

3. Collateralization

What steps has the insurer taken to require full collateralization of the policyholder's outstanding obligations under a large-deductible agreement? Please provide documentation regarding how the insurer requires collateralization using **one** of the following options (a), (b), or (c).

Option (a): Surety Bond

(i) Can the insurer provide a surety bond issued by a surety insurer authorized to transact such insurance in Nevada? _____

(THE SURETY INSURER MUST HAVE FINANCIAL STRENGTH AND SIZE RATINGS FROM A.M. BEST COMPANY NOT LESS THAN "A" OR "V", RESPECTIVELY, OR SUBSTANTIALLY EQUIVALENT RATINGS FROM ANOTHER RATING AGENCY, AS DETERMINED BY THE COMMISSIONER.)

(ii) If the surety insurer is not rated by A.M. Best, please provide the name and address for an equivalent rating agency, as well as the specific ratings (pertaining to financial strength and size) that this agency has issued to the surety insurer:

Name: _____
Address:_____
Ratings Issued by Agency to Surety Insurer:_____

Option (b): Irrevocable Letter of Credit

(i) Can the insurer provide an irrevocable letter of credit? _____
(ii) Is the financial institution physically located in Nevada? _____
(iii) Are deposits of the financial institution federally insured? _____

Option (c): Cash or Securities Held in Trust

(i) Can the insurer provide proof of cash or securities held in trust by a third party or the insurer and subject to a trust agreement for the express purpose of securing the policyholder's obligation under a large-deductible agreement? _____

(ii) If the cash or securities are held by the insurer, are these assets kept separate from and not commingled with the insurer's other assets? _____

4. Limitation of Policyholder's Obligation

(i) Is the size of the policyholder's obligation limited to 20% of the total net worth of the policyholder?
_____

(TOTAL NET WORTH IS CALCULATED AS THE DIFFERENCE BETWEEN TOTAL ASSETS AND TOTAL LIABILITIES OF THE POLICYHOLDER.)

(ii) Has the policyholder provided the insurer with an audited financial statement, as of the most recent fiscal year-end? _____