Department of Business and Industry

Nevada Division of Insurance

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INSTRUCTIONS - ANNUAL CERTIFICATION OF CLAIMS ADMINISTRATION

The Annual Certification of Claims Administration must be completed by the person or persons responsible for administering the Employer's claims. Once completed, the Certification and loss runs for each Certification should be sent to the Employer to be included with the Annual Claims Information Report, which is due September 30.

A separate report form must be completed by each Administrator who has responsibility for claims administration. Also, since Employers are permitted to self-administer their workers' compensation claims, Employers must remit a separate Certification of Claims Administration for any periods that were or are self-administered and were not reported by an Administrator on a separate Certification. Certification forms filed by an Administrator and a self-administering Employer should not duplicate data between Certification forms.

All periods of claims, including assumed claims, must be reported on a Certification form.

Each Certification is an update of the cumulative status of the Employer's claims and should include the entire period of loss dates, including assumed claims, handled by the Administrator and/or Employer. It is not limited to claims filed only in this reporting cycle.

Specific instructions regarding the completion of this form are shown below. DO NOT LEAVE ANY FIELD BLANK.

1. Employer Name – Indicate the name on the certificate of authority for the self-insured employer. If the Administrator is remitting a report for a specific subsidiary of the Employer, the subsidiary name should be included here.

2. Administrator Name, Address and Email – Enter the information for the Administrator who is completing this report. If the claims are self-administered by the employer, enter "Self-Administered."

3. Enter the period of dates of injury (mm/dd/yy) for the claims that are being reported on this Certification form. (Dates of injury may or may not be the same as the dates of a claims administration contract.)

4. NAC 616B.442 requires that each self-insured employer maintain such documents as are necessary to ensure the adequacy of the security deposit required by NRS 616B.300. To meet that requirement, the Employer shall maintain a list of open and closed claims for the Commissioner's review. As the Administrator for the dates specified in this Certification, provide the Employer with loss runs or another type of list of claims that meets this requirement. Review NAC 616B.442 for minimum criteria, including total incurred, total amount paid, and total reserve balance, broken out for each claim. It is recommended that supporting documentation be provided in the loss runs for each field on Lines 6, 8, 9, 11, and 12 of the Certification.

   Loss runs in Excel format are preferred. If the claims software does not permit Excel versions, the claims information should be submitted as separate loss runs for open and closed claims.

5. Complete the fields for 5a to 5d regarding claims reported between 7/1 to 6/30 of this reporting year.
    a. Line A Claims Filed should include all claims submitted, including denied and incident-only claims, between 7/1 and 6/30 of this year.
    b. Line B Claims Accepted should exclude denied and incident-only claims. Claims with acceptance dates between 7/1 and 6/30 of this year should be reported.

    If a claims status other than accepted or denied, such as pending, deferred or non-stipulated, is used, attach a detailed explanation of the term's usage and identify all claims that do not have the status of accepted or denied. Claims filed in one reporting year but accepted in the following reporting year MUST be reported on one of the year's reports.

    An OSHA report (or industry equivalent) report is required for each fatality.

For lines #6 through #13, please note the following:

- **Do not reduce amounts reported in loss runs by recoveries from any source.**
- **Do not reduce amounts reported on Certification forms by recoveries from any source.**
- **Do not include denied claims, incident reports or their associated costs when reporting expenditures or closed or open claims.**

The responses below are not limited to dates between 7/1 and 6/30 of the current reporting year. They include all periods of loss dates of claims and include assumed claims.

6. Claims Expenditures – Enter the total dollars actually disbursed during each of the last three years. The costs should include all amounts paid including medical, indemnity, and rehabilitation including claims expense for accepted claims.

7. After totaling the costs identified in #6, divide this number by three for an average.

8. Closed Claims – Enter the total number of accepted closed claim files for which the Administrator is responsible. Closed claims information is cumulative. All closed claims, including assumed claims, for which the Administrator is responsible must be included.

9. Enter the total amounts paid for the accepted closed claims identified in #8.

10. Enter the total cost of administration of the claims identified in this Certification. Claims administration costs are the operating expenses incurred servicing the claims, including the fees of the contract with the third-party administrator. If self-administered, enter the cost of administering the claims in house including salaries, equipment, office space or other related expenses. If the Employer is self-insured in multiple states, only the Nevada cost of claims administration should be reported.

11. Enter the number of accepted claims that were open or reopened as of 6/30 of this reporting cycle, regardless of the date of injury. If a status other than open or reopen, such as pending, is used, attach a detailed explanation and identify all claims with such status.

12. Provide a breakdown of claim costs for the open claims identified in #11, including:
    a. The total incurred amounts for medical, indemnity, and other
    b. The total amounts paid for medical, indemnity, and other
    c. The total reserve amounts for medical, indemnity, and other

13. Enter the number of claims to be paid from other sources, such as excess insurance or subrogation, during this reporting period and attach supporting documentation. Excel format for the supporting documentation is recommended.

    The supporting documentation for excess claims must include:
    - Name of each claimant
    - Claim number
    - Date of injury
    - Type of injury (medical only/indemnity)
    - Medical, indemnity, other paid to date
    - Medical, indemnity, other reserves
    - Source(s) of recovery
    - Self-insured retention
    - Amount already recovered
    - Amount remaining to be recovered

    Supporting documentation for SIA and subrogation claims should include:
    - Name of each claimant
    - Claim number
    - Date of injury
    - Type of injury
    - Total paid to date
    - Amount recovered to date
    - Amount remaining to be recovered
    - Status of case

14. NAC 616B.460(3) requires that the report be signed by the person administering the program of self-insurance. Enter the name and title of the responsible person and the date the form was signed.

    Electronic or scanned handwritten signatures are acceptable; typed names are not signatures.

ALL REPORT FORMS AND LOSS RUNS MUST BE RETURNED TO THE SELF-INSURED EMPLOYER. DO NOT REMIT THE CERTIFICATION TO THE DIVISION OF INSURANCE.