

Qualification of Workers' Compensation Insurers

Casualty insurers may begin to effect workers' compensation insurance to Nevada employers beginning July 1, 1999. This bulletin sets forth the requirements for an insurer to be qualified to provide this kind of insurance.

A qualified insurer will be issued a new Certificate of Authority which states: Casualty Insurance, including Workers' Compensation. An insurer may not advertise, market, offer or provide workers' compensation insurance in this state unless the Certificate of Authority contains this specific language. Authority to write casualty insurance in Nevada does not permit an insurer to provide workers' compensation.

QUALIFICATION OF INSURERS

Insurers not currently authorized to do business in Nevada must file with the Division an application for a Certificate of Authority on the form prescribed by the Commissioner, accompanied by all requested information, and the appropriate filing fee. The application should identify workers' compensation as a desired kind of business in Nevada.

Insurers currently authorized to do business in Nevada must file a letter with the Division requesting authorization to provide workers' compensation insurance in Nevada. The letter must be accompanied by:

The most recent quarterly financial statement for the insurer.

1. A Certificate of Compliance or Authority from the insurer's state of domicile showing authorization to provide workers' compensation in that state.

The original Nevada Certificate of Authority or an affidavit of loss signed by the president of the company.

A filing fee of \$10.00.

II. REQUIRED FILINGS

Each qualified insurer must, on or before April 30, 1999, or not less than 60 days prior to providing workers' compensation insurance in this state, file the following items with the Division:

Any special rating plans, rating rules or forms to be used in Nevada.

2. A business plan for workers' compensation which includes:

(a) estimated premium for the initial 3 years.

(b) identification of any targeted markets.

(c) any underwriting restrictions.

(d) a description of how it will process claims in Nevada.

A special deposit pursuant to NRS 682B.015 and NAC 682B.010 to 682B.030, inclusive. The deposit shall be determined by a formula adopted by the Commissioner and not less than \$100,000. This deposit is separate and apart from any other deposit required from the insurer.

Evidence that the insurer has subscribed to the services of the advisory organization for workers' compensation designated by the Commissioner. An insurer, agent or broker may not market, negotiate or produce a policy of workers' compensation insurance in Nevada until all of the materials required pursuant to this section have been filed with the Division of Insurance. In no case may a policy of workers' compensation insurance be effective before July 1, 1999.

III. PRODUCER REQUIREMENTS

An agent or broker may not solicit, negotiate, or sell workers' compensation insurance unless he has successfully completed an approved course of instruction on workers' compensation insurance. Pursuant to regulations adopted by the Commissioner, an insurer must verify that an agent or broker has completed an approved course before accepting an application for insurance from the agent or broker.

ALICE A. MOLASKY-ARMAN
Commissioner of Insurance