

Self-Insured Group Qualifications

Self-Insured Groups (SIG) must meet these financial requirements:

Must provide a current copy of their certified, independently audited, financial statements complete with all schedules and notes if less than \$10,000,000 in net worth; if net worth is \$10,000,000 or more, only a reviewed statement is required. For the latter to be acceptable, a private group self-insured must demonstrate and maintain a minimum net worth of \$10,000,000.

Actuarially projected claim liabilities funded at the 80% confidence level

Ability to pay expected administrative expenses; and

Post the security deposit required

Loss Control:

A review of the Injury and Illness Prevention Program must be performed by an independent safety professional that shows management's commitment to safety and willingness to implement loss control recommendations.

Security deposits for various self-insured's are:

New private self-insured's must post an amount equal to the greater of the following:

The prior three years incurred liability or

The statutory minimum required of 125% of estimated future workers' compensation claim liabilities plus 10% of estimated future liability for all administrative and legal costs relating to or arising from self-insuring. Combined liabilities cannot be less than \$220,000.

Existing private self-insured's must post an amount equal to the greater of the following:

135% of estimated workers' compensation claim liabilities for known claims; and a deposit consisting of the average annual estimated future liability for the past five years reported on Self-Insurer's Annual Report; and adjustments to reduce the liability to be reported on individual claims due to new documentation of specific excess insurance coverage not previously reported.