

REQUIREMENTS FOR ORGANIZING AND LICENSING OF A GROUP SELF-INSURANCE ASSOCIATION

In order for potential applicants to gain an understanding of the licensing process, the Bureau recommends that all parties interested in forming a group self-insurance association contact this office prior to filing an actual application. **A personal meeting with the Bureau staff is strongly encouraged. Please call (804) 371-9063 to schedule an appointment with the appropriate representative.**

The State Corporation Commission's "Rules Governing Group Self-Insurers of Liability under the Virginia Workers' Compensation Act" (14 VAC 5-370-10 et seq.) outlines the requirements for obtaining a license as a group self-insurance association. It is the applicant's responsibility to review 14 VAC 5-370-10 et seq. and submit a complete filing. The listing that follows is not intended to be all-inclusive but simply highlight certain requirements.

1. Submit the appropriate application form (enclosed), completed and signed.
2. Submit a copy of the entity's by-laws, certified by its Secretary.
3. Submit an appropriate rate filing and rating program with the Bureau's Property and Casualty Division.
4. Submit a list of the members' supervisory board and have a biographical affidavit (reproducible form enclosed) completed and signed by each of them in the original.
5. Submit an application, indemnity agreement and affidavit for each member of the group self-insurance association. The enclosed forms are to be utilized. No language should be deleted from the forms. Language added to the forms must receive prior approval from the Bureau.
6. Specific and aggregate excess insurance is required. Acceptable attachment points and coverage limits will be directed by the Bureau.
7. Proof of payment by each member of at least 25% of its estimated first year's contribution into a designated depository should include deposit tickets, check copies and a bank confirmation sent directly to the Bureau.
8. Submit a current financial statement of each member of the group self-insurance association demonstrating solvency and its financial ability to meet its obligations as a member.
9. Submit premium computation sheet for each member of the group self-insurance association. The computation sheets should support the composite listing of estimated annual gross contributions, which shall not be less than \$350,000.

IMPORTANT NOTE

The office of the administrator of the group self-insurance association and all pertinent records necessary to verify the accuracy and completeness of all reports submitted to the Bureau are maintained within the Commonwealth of Virginia pursuant to 14 VAC 5-370-110 6. Pertinent records would also include claim files, cancelled checks and related records managed by the