JAMES J. DONELON
COMMISSIONER OF INSURANCE
STATE OF LOUISIANA

P.O. Box 94214
Baton Rouge, Louisiana 70804-9214
Phone (225) 342-5900
Fax (225) 342-3078
http://www.ldi.state.la.us

INSTRUCTIONS FOR ANNUAL REPORT FOR A THIRD PARTY ADMINISTRATOR IN THE STATE OF LOUISIANA

GENERAL INSTRUCTIONS

This packet is designed to assist the individual preparing the annual report in complying with our requirements and procedures. The forms and procedures of the application process are designed to facilitate our review of the report. Therefore, it is extremely important that all applicants comply fully with the instructions and requirements set forth in this packet.

All communication should be directed to:

Louisiana Department of Insurance
Company Licensing Division
P.O. Box 94214
Baton Rouge, LA 70804-9214
Phone: (225) 342-0897
Fax: (225) 342-7401
E-Mail Address: pwalker@ldi.state.la.us

While our Department will be happy to assist you and answer any questions you may have, we ask that you thoroughly review all instructions and forms before contacting us.

1) Annual reports must be post-marked no later than March 1 of the year due.

2) All submittals in association with this report must reach us via the United States Postal Service or a carrier with interstate business. Hand delivery is not acceptable and any information arriving in this manner will be returned without review. In addition, all correspondence must be sent to the attention of the Company Licensing Division to assure prompt receipt and handling.

3) Submit only a fully completed report. Submittal of a partially completed report will cause processing delays and may result in rejection of the report.

4) <u>Do not alter</u> the forms contained in this packet. If you feel the requirements do not apply to your situation, notify us. We will supply the proper form, if appropriate, and/or answer any questions you have about the forms.

5) All original items submitted become the property of the Louisiana Department of Insurance and <u>will not be returned</u>.

6) All certified documents required in the application must be dated within ninety (90) days of submittal of the application.

7) All entries in the report forms must be typed or printed. Illegible entries or responses will be considered incomplete and may result in the rejection of the report.

8) When designating a contact person, please remember that all correspondence from our Department will be directed to this individual. Therefore, please choose a person who will be able to respond to most inquiries or direct them to the appropriate person for response. We must be notified in writing of any change in the contact person during the course of the year.

9) The annual report is intended to supplement any notifications of changes in the administrator or the information submitted to this Department previously. LRS 22:3041H requires an administrator to notify the Commissioner of any material change in its ownership, control, or other fact or circumstances affecting its qualification for a license in this state. Therefore, the administrator should not wait for the filing of the annual report to advise this Department of any such changes.

10) If, for some reason, an item which would otherwise be required is not available, a written explanation must be supplied upon submission.

11) It is the responsibility of the applicant to insure that none of the responses and submittals in association with this report conflict with the information filed with the domiciliary state. Conflicting information may result in regulatory action.

EXPLANATION OF TYPES OF FILING

The annual report forms are intended for those companies which hold a license as a third party administrator in this state and for those companies which were granted an exception to the licensing requirement pursuant to LRS 22:3031 (1) (l).

LICENSED ADMINISTRATORS

Administrators which have been issued a license by this Department must submit Pages 6-12 of the report along with any appropriate attachements.

EXCEPTED ADMINISTRATORS

Administrators which have been granted an exception to the licensure requirement pursuant to LRS 22:3031 (1) (l) should file Page 6 and Page 13 of the report forms. There is no fee for this exception filing.

SPECIAL INSTRUCTIONS FOR THE NOTIFICATION OF CONTRACT

Each time a licensed administrator enters into an agreement with an insurer, the enclosed Notification of Contract Between Third Party Administrator and Insurer form must be immediately completed and forwarded to the Department of Insurance via the United States Postal Service.

SPECIAL INSTRUCTIONS FOR NOTARIZATION PAGE

Each annual report packet includes two notarization pages. Which of these pages the administrator uses is determined by the type of filing. An administrator which is licensed in Louisiana and is filing an annual report pursuant to LRS 22:3043 should use the Notarization for Licensed Administrators. An administrator which was granted an exception to licensure requirements pursuant to LRS 22:3031 (1) (a) and which is filing this report pursuant to LRS 22:3041G should use the Notarization for Administrators Granted an Exception. No administrator should file both forms.

The signatures which appear on the notarization page are determined by the legal structure of the applicant. Below are the expected variations and the instructions for who should sign the application in each case.

IF THE APPLICANT IS A(N)....	THE APPLICATION SHOULD BE SIGNED BY...
Individual	the applicant
Corporation	any two officers
Association	any two officers
Partnership	two partners
Trust	two trustees
Any other	contact the Department for instructions

INSTRUCTIONS FOR REQUESTING AN EXTENSION OF THE FILING DATE

The annual report for administrators is due by March 1 of each year. If administrators have a legitimate need for an extension of this deadline they must request this extension in writing. The request must include a detailed explanation of why the extension is needed.

Extensions will not be granted verbally. Therefore, do not contact the Department by telephone or in person to request such an extension.

Extensions of the deadline will be given in thirty (30) day allotments and only under the most extreme circumstances will companies be given an extension of more than sixty (60) days.

COMMON QUESTIONS

The following are some of the most commonly asked questions regarding the application package and process.

Q: Where can I find the laws and regulations governing third party administrators in Louisiana?

A: The laws governing third party administrators can be found in Chapter 5 of Title 22 of the Louisiana Revised Statutes (LRS 22:3031 et seq.). In addition, LRS 23:1192, et seq. and Regulation 42 of the Louisiana Department of Insurance contain related information regarding service companies for worker's compensation self insured funds. For your convenience, a copy of Chapter 5 of Title 22 is attached. Copies of the complete Louisiana Insurance Code and the regulations promulgated by the Commissioner of Insurance can be obtained from private printing companies which specialize in statutory printing. One such company is given below.

National Insurance Law Service
P.O. Box 2507
Chatsworth, CA 91313
1-800-423-5910

Q: Is there a difference between a "service company" as mentioned in Title 23 and a third party administrator?

A: Because of the type of services commonly performed for workers compensation self-insured funds by service companies, such companies may fall into the definition of a third party administrator as set forth in LRS 22:3031(1). Therefore, each entity acting as a service company for such a fund should review the definition and determine if it would be considered a third party administrator.

Q: Will I be notified of the acceptance of my report?

A: Each administrator will be notified of the acceptance of the annual report. This notification or a request for additional information can be expected thirty (30) to sixty (60) days from our receipt of the report.

Q: Can the forms in the report packet be recreated on a word processor for completion by the applicant?

A: No. The forms in this packet are designed for ease of recognition by our staff and, in many cases, in strict compliance with statutory wording requirements. Therefore, any changes in the format or wording of the forms will cause delays in the review and may lead to the rejection of the report. However, upon request we can make arrangements to send the forms in Microsoft Word ® format via electronic mail.

Q: We were not licensed as an administrator in Louisiana until late in the year. Are we still required to file an annual report?

A: All administrator licensed or granted an exception on or before December 31, of the reporting year must file an annual report for that year.

Q: What is the penalty for failure to file the annual report on or before the due date ?

A: Pursuant to LRS 22:3044B (1) an administrator which violates any provision of the insurance laws of this state may be fined up to $5,000.00 per violation and may have its license revoked or suspended.

COMMON QUESTIONS CONTINUED

Q: Must the reports be bound when they are returned?

A: No. The reports are not required to be bound in any way when they are returned to this Office.

Q: If an administrator wishes to surrender it's license or otherwise cease doing business in Louisiana, can this be accomplished by not filing the annual report?

A: No. The annual report is a report, not a renewal. If an administrator wishes to surrender it's license, they may do so by returning the license with the annual report but any administrator licensed on December 31 is responsible for the annual report for the preceding year.

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ANNUAL REPORT FOR A THIRD PARTY ADMINISTRATOR IN THE STATE OF LOUISIANA

General Information (Type or Print)

ADMINISTRATOR'S NAME:_____

TRADE NAME:_____

FEI OR SOCIAL SECURITY NO.:_____ **DOMICILE:**_____

HOME OFFICE ADDRESS:_____

_____

_____

CONTACT NAME†:_____ **CONTACT TITLE:**_____

PHONE:_____ **FACSIMILE:**_____

CONTACT ADDRESS:_____

_____

_____ **E-MAIL:** _____

† This Office will only communicate with the named contact person.

FEES	
Annual Report Fee = $300.00 or reciprocal for a TPA domiciled outside of Louisiana	**$** _____
Make all checks payable to the Louisiana Department of Insurance **Total Amount This Check**	**$** _____

SECTION 2 - LOCATION OF BOOKS AND RECORDS

Give the physical address where the books and records of the applicant will be available for inspection by the Commissioner.

SECTION 3 - LIST OF STATES

List below the states in which the administrator is licensed to do business as an administrator.

SECTION 4 - SOLICITATION INFORMATION

Will the applicant be managing the solicitation of new or renewal business or directly soliciting insurance contracts or otherwise acting as an agent?	☐ **YES** ☐ **NO**

If yes, provide the name, social security number or federal employer identification number (for a partnership or corporation) for the licensed Louisiana agent performing the solicitation. If the agent is other than the applicant, indicate whether the agent is an employee of or under contract with the applicant.

Agent Name	Social Security No. or FEIN	Status (Employee or Under Contract)

SECTION 5 - INTERROGATORIES

All of the following questions must be answered for every applicant. ATTACH A FULL EXPLANATION FOR ANY "YES" ANSWERS

1) Has the administrator made any changes to its Articles of Incorporation, Articles of Association, Partnership Agreement or other such organizational documents which have not been filed with this Department? If yes, provide a copy of the document certified by the proper domiciliary state official.	☐ **YES**	☐ **NO**
2) Has the administrator made any changes to its by-laws, rules, regulation or other such similar documents which have not been filed with this Department? If yes, please provide copies of the amended document certified as true and correct by the secretary of the administrator or a partner in the case of a partnership.	☐ **YES**	☐ **NO**
3) Is the administrator using a trade name for which a Certificate of Trade Name Registration has not been filed with this Department? If yes, please submit a Certificate of Trade Name Registration issued by the Louisiana Secretary of State indicating that the applicant has registered its use of the trade name with that Office.	☐ **YES**	☐ **NO**
4) Has the administrator made any changes to its operating practices which would invalidate or make obsolete the plan of operation filed with this Department? If Yes, please supply an amended plan of operation.	☐ **YES**	☐ **NO**
5) Are there any persons responsible for the conduct of affairs of the administrator, including all officers, directors, partners (in the case of a partnership), trustees, executive committee members and/or any person(s) owning, directly or indirectly, ten percent or more of the administrator and any other person who exercises control or influence over the affairs of the administrator, for whom biographical affidavits have not been filed with this Department? If Yes, submit completed biographical affidavits for each such person.	☐ **YES**	☐ **NO**
6) Does the administrator have contracts with any insurer for which a Notice of Contract Form has not been supplied to this Department? If Yes, submit a completed Notice of Contract Form for each such contract.	☐ **YES**	☐ **NO**

SECTION 5 - INTERROGATORIES - CONTINUED

All of the following questions must be answered for every applicant. ATTACH A FULL EXPLANATION FOR ANY "YES" ANSWERS

7) Is the administrator part of an insurance holding company group? If yes, provide the NAIC Group Code for the	☐ **YES**	☐ **NO**
8) Within the last two years, has the administrator had an application denied by any insurance regulatory authority?	☐ **YES**	☐ **NO**
9) Within the last two years, has the administrator been subject to any regulatory action including cease and desist orders, revocation of license or similar actions?	☐ **YES**	☐ **NO**
10) Within the last two years, has the administrator changed its name in the previous two years?	☐ **YES**	☐ **NO**
11) Within the last two years, has the administrator merged or consolidated with any other entity?	☐ **YES**	☐ **NO**
12) Within the last two years, has the administrator undergone a change in ownership of ten percent or more?	☐ **YES**	☐ **NO**
13) Is the administrator presently negotiating or inviting negotiations or party to a counterletter which would result in a merger or consolidation with any other entity?	☐ **YES**	☐ **NO**
14) Is the administrator presently negotiating or inviting negotiations or party to a counterletter which would result in a change of ownership of ten percent or more?	☐ **YES**	☐ **NO**
15) Does the administrator contemplate a change in management or any transaction which would normally result in a change of management within the foreseeable future?	☐ **YES**	☐ **NO**
16) Is the administrator a plaintiff, defendant or subject in any legal action? (If yes, supply a statement giving the jurisdiction of the case, a summary of the allegations , the case style (name) and a summary of the current status of the case. You may limit this response to suits filed in Louisiana or on behalf of Louisiana residents)	☐ **YES**	☐ **NO**
17) Does the administrator pay any representative given discretion as to the settlement or adjustment of claims, whether in direct negotiations with the claimant or in supervision of the person negotiating, a compensation which is in any way contingent upon the amount of settlement of such claims?	☐ **YES**	☐ **NO**
18) Do any of the officers, directors, partners, trustees or owners of the administrator serve as officers, directors, or trustees or own, directly or indirectly, ten percent or more of any insurer for which the administrator acts as a third party administrator?	☐ **YES**	☐ **NO**
19) Does the administrator currently act as a third party administrator for any insurer with which it does not have a written contract?	☐ **YES**	☐ **NO**
20) Is the administrator currently entered into any agreement or understanding with any insurer in which the effect of the agreement is to make the amount of the administrator's commission, fees, or charges contingent upon savings realized in the adjustment, settlement, and payment of losses covered by the insurer's obligations?	☐ **YES**	☐ **NO**
21) Has any person who is presently an officer, director or owner of ten percent or more of the administrator ever been convicted of or pleaded guilty or nolo contendere to, or found liable of indictment or information in, any jurisdiction charging a felony or misdemeanor other than minor traffic violations?	☐ **YES**	☐ **NO**

SECTION 6 - LIST OF CONTRACTS

List the name and address of all insurers with which the administrator is currently contracted as a third party administrator. For the purpose of an annual report, this list must include all insurers with which the administrator had an agreement during the preceding year. PLEASE INCLUDE ONLY PLANS WITH PARTICIPANTS IN LOUISIANA AND DO NOT INCLUDE ERISA EXEMPT PLANS.

NAIC #	INSURER NAME	INSURER ADDRESS

SECTION 7 - LIST OF MANAGEMENT AND OWNERS

Below give the name, resident address, social security number and position with the administrator for all persons responsible for the conduct of affairs of the administrator. This list should include all officers, directors, partners (in the case of a partnership), trustees, executive committee members and/or any person(s) owning, directly or indirectly, ten percent or more of the administrator and any other person who exercises control or influence over the affairs of the administrator.

NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	
NAME:		**S.S.#:**	
STREET:	**CITY:**	**STATE:**	**ZIP:**
POSITION:		**OWNERSHIP %:**	

NOTARIZATION FOR LICENSED ADMINISTRATORS

STATE OF _____

COUNTY OR PARISH OF_____

BEFORE ME, the undersigned authority, personally appeared _____ and _ _____ who, after being duly sworn, did depose and say that all information contained in this application and all attachments thereto is, to the best of his knowledge, true, complete and correct and that the Commissioner of Insurance will be notified of any changes to the information provided herein within three working days of the effective date of the change . Each did furthermore certify that the latest financial statement of the administrator for whom this annual report is made is available for inspections by the Commissioner of Insurance or his duly authorized representative at the address given below.

_____

_____

_____

Witness' Signature	**Signature of Applicant or Authorized Representative**
Witness' Printed Name	**Printed Name and Title of Authorized Representative**
Witness' Signature	**Signature of Authorized Representative of Applicant**
Witness' Printed Name	**Printed Name and Title of Authorized Representative**

SWORN TO and subscribed before me this _____ day of _____, 19___.

_____

Notary Public's Signature

_____

Notary Public's Printed Name

My Commission Expires _____

NOTARIZATION FOR ADMINISTRATORS GRANTED AN EXCEPTION

STATE OF _____

COUNTY OR PARISH OF_____

BEFORE ME, the undersigned authority, personally appeared _____ and _____ who, after being duly sworn, did depose and say that all information contained in this application and all attachments thereto is, to the best of his knowledge, true, complete and correct. Each did furthermore certify that the administrator named herein continues to act solely as an administrator of one or more bona fide employee benefit plans established by an employer or employee organization, or both, for which the insurance laws of this state are preempted pursuant to the Employee Retirement Income Security Act of 1974 and is, therefore, not required to hold a license as an administrator in the state of Louisiana.

Witness' Signature	**Signature of Applicant or Authorized Representative**
Witness' Printed Name	**Printed Name and Title of Authorized Representative**
Witness' Signature	**Signature of Authorized Representative of Applicant**
Witness' Printed Name	**Printed Name and Title of Authorized Representative**

SWORN TO and subscribed before me this _____ day of _____, 19___.

Notary Public's Signature

Notary Public's Printed Name

My Commission Expires _____

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NOTICE OF CONTRACT BETWEEN THIRD PARTY ADMINISTRATOR AND INSURER

Third Party Administrator General Information (Type or Print)

ADMINISTRATOR NAME :_____

TRADE NAME:_____

FEIN NO.:_____ **DOMICILE:**_____

HOME OFFICE ADDRESS:_____

_____

_____

CONTACT PERSON:_____

CONTACT TITLE:_____ **PHONE:**_____

Insurer General Information (Type or Print)

COMPANY NAME:_____

TRADE NAME:_____

FEIN NO.:_____ **DOMICILE:**_____

HOME OFFICE ADDRESS:_____

_____

_____

CONTACT PERSON:_____

Third Party Administrator General Information (Type or Print)

CONTACT TITLE:_____ **PHONE:**_____

Under the terms of the contract between the above named individuals, the administrator will be responsible for the following:

☐ **Solicitation of Coverage**	☐ **Underwriting**
☐ **Collection of Charges of Premium**	☐ **Claims Adjustments**
☐ **General Management Services**	☐ **Distribution of Advertising Material**
☐ **Claims Payments**	☐ **Other** _____

The physical address where the books and records under this contract will be maintained.

_____

_____

_____

_____

The effective date of the above referenced contract is _____

_____
Printed Name of Administrator Representative

_____
Signature of Administrator Representative

_____
Date

_____
Title of Above Signed