

**STATE OF MAINE**  
**BUREAU OF INSURANCE**  
**INITIAL APPLICATION FOR INDIVIDUAL**  
**WORKERS' COMPENSATION SELF-INSURANCE AUTHORITY**  
**Rule Chapter 250 §II (B)**

**General Instructions**

Every individual corporation that has employees in the State of Maine must seek separate authority to self-insure workers' compensation benefits in this state. The Maine Employer-Applicant is cautioned that commercial coverage must be maintained until a self-insurance Certificate of Authority is issued. Employers must make application to the Superintendent for authorization to self-insure on a form prescribed by the Superintendent and pay the appropriate application fee. The application must contain complete responses to all questions and must be signed by an authorized officer. The Superintendent must approve or deny the application within 45 days after the application is deemed complete. An application will not be considered complete until all of the requested data has been filed. The Superintendent must determine whether or not an initial filing is complete within 30 days of its receipt and notify the applicant of the information needed to make the application complete. Employer-applicants must provide the needed information within 30 days from the notification, or the application will be considered withdrawn, unless the employer-applicant notifies the Superintendent in writing of the need for additional time to provide the information. Upon approval the Superintendent shall issue a written Certificate of Authorization for a period not to exceed one year. Upon denial the Superintendent will issue a written explanation for the denial.

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| <p>1. Maine Employer-Applicant<br/><u>Name &amp; Mailing Address:</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Telephone: _____</p> <p>Facsimile: _____</p> | <p>Authorized Contact Person<br/><u>Name &amp; Mailing Address:</u></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Telephone: _____</p> <p>Facsimile: _____</p> |
| <p>2. Employer-applicant's state of incorporation: _____</p>  |   |
| <p>3. Proposed effective date of self-insurance _____</p>   |   |
| <p>4. Do you authorize Bureau staff to contact other individuals in accordance with Rule Chapter 250 §II (B)(3)?</p> <p>Yes: _____ No: _____</p>                              |   |

**For the following requested information, please include separate attachments referencing the corresponding item number.**

5. Enclose a check for \$1,000.00 in payment of the non-refundable initial application fee. If authorization is granted, the Bureau will invoice the self-insurer \$300 for payment of the initial authorization fee.
6. Supply audited financial statements pursuant to Rule Chapter 250 §II (B) (1) (a) for the most recently completed fiscal year and for each of the two immediately preceding fiscal years. If the Maine Employer-Applicant does not have its own audited financial statements, it may be allowed to seek authority based upon a parental guaranty, affiliate guaranty or an Irrevocable Contract of Assignment.
7. Provide evidence of specific and aggregate reinsurance. Each final, approved reinsurance contract must be filed within ninety days after the effective date of the contract.
8. Identify the location in the State of Maine of the complete and accurate payroll and claims records.
9. Furnish the name and license number of the Maine adjuster providing claims and adjusting services.

10. Identify the location of the Maine facility(s), and provide the number of Maine employees.
11. Provide the estimated payroll, sorted by workers' compensation classification codes, for the prospective year. The workers' compensation classification codes are published by National Council on Compensation Insurance (NCCI).
12. Provide the **intrastate** experience modification rating factor and the supporting calculation worksheets pursuant to Rule Chapter 250 §II (B)(1)(k). This factor may be submitted, on behalf of the self insurer, by a qualified third party.
13. Provide the proposed form of security pursuant to Rule Chapter 250 §II (D).
14. Provide proof of adequate facilities and competent personnel to service the program in compliance with Rule Chapter 250 §II(H) and a description of the safety plan maintained by the employer.
15. If the proposed security is an actuarially determined fully funded trust, furnish evidence of a fidelity bond adequate to protect the funds, in a form and amount acceptable to the Superintendent, covering any person who will have access to the funds who is not otherwise licensed pursuant to Title 24-A MRSA.

### Declarations

The undersigned Maine Employer-Applicant, a legal entity employing people in the State of Maine, subject to the Maine Workers Compensation Act, hereby makes application to obtain authorization to self-insure its obligations under the Act and understands that, once the Maine Employer-Applicant is authorized, it must notify the Superintendent 45 days in advance of the following:

- a. An acquisition of a self-insurer's securities which are entitled to be voted or otherwise carry the ability to influence the conduct of business affairs of the self-insurer, either in a single or a series of transactions, which results in ownership by a single interest equal to or exceeding 20% of such securities; and
- b. The employer or any guarantor changes business form or majority ownership through a spin-off, merger, acquisition, or other reorganization of the company structure.

The Maine Employer-Applicant understands that it must notify the Superintendent 30 days in advance of any of the following:

- a. Any change in servicing agents; and
- b. Any proposed change in the approved reinsurance program, including, but not limited to, retention or attachment point, limits of coverage, carrier, policy forms, or endorsements. Notice must also be given to the Maine Self-Insurance Guarantee Association, if the self-insurer is required to be a member.

The Maine Employer-Applicant understands that it must notify the Superintendent 10 days after occurrence of the following events:

- a. Sale or transfer of more than 20% of the self-insurer's assets based upon the most recent annual report for the year preceding, such to include divisions, affiliates, subsidiaries, and other business entities. Transactions in the ordinary course of business are exempted from this requirement;
- b. Expanded operations where payrolls and exposures were increased 20% or more when compared to the most recent information used for calculating security;
- c. The self-insurer's bond obligations are down-graded below investment grade as assigned by a national bond rating agency;
- d. Revocation or suspension of self-insurance license or authority in another jurisdiction;
- e. Changes in the names and addresses of the self insurer, guarantor or parent corporation; and
- f. Changes in officers or directors of the self-insurer, guarantor or parent corporation.

The Maine Employer-Applicant represents the information provided in this application is true and accurate.

Maine Employer-Applicant \_\_\_\_\_

By: \_\_\_\_\_  
Authorized Corporate Officer

Date \_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

**Please attach evidence that the person signing this application has the authority to do so.**