

saif

Work. Life. Oregon.

2022 Workers' Compensation Insurance Seminar

Other states coverage update

Heidi Joslin

SAIF underwriting lead and OSC underwriter

Tammy Ames

OSC program manager



To receive credit for this
session, scan here
to check in and out.

Or, sign in and out
at the back of the room.



Continuing education credit

To receive one CEC, agents must:

- **Sign in** at the beginning of class
- Attend the entire class
- Not miss more than five minutes
- **Sign out** at the end of class

Objectives

- Growth of the other states coverage program
- Coverage requirement
- State-specific information
- Claim handling
- Online resources

United States Insurance Services (USIS)

- Evolved from a general agency that has been in business since 1958
- The agency originally designed the concept for the other states coverage program. The first program was installed in 1996.

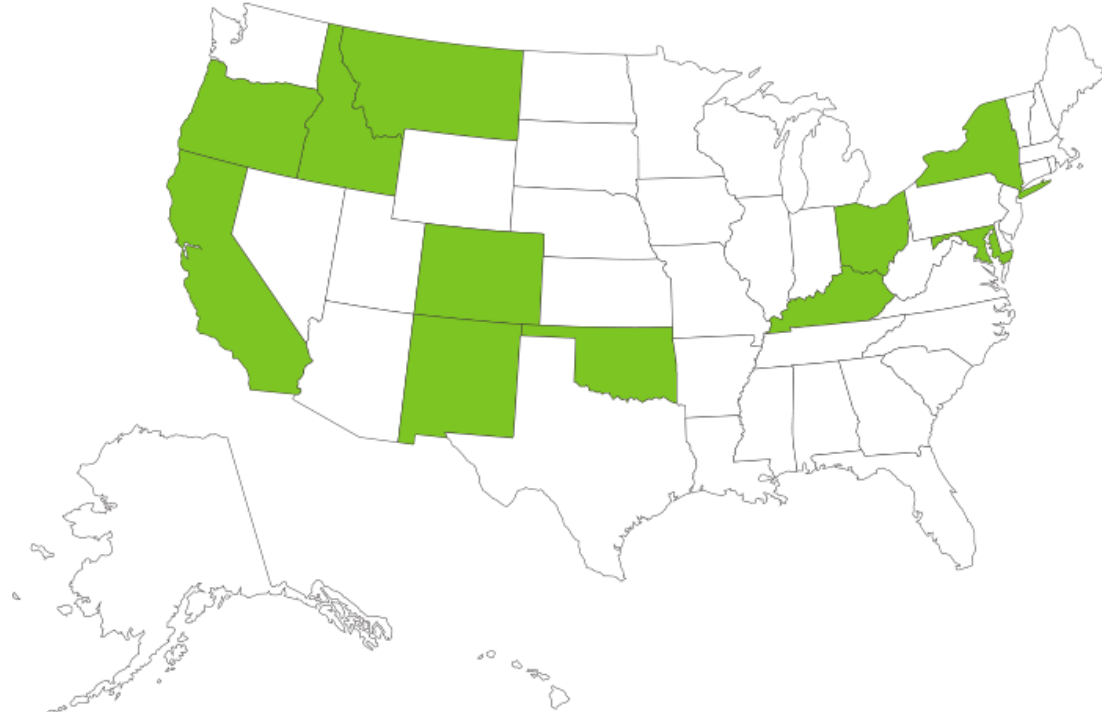
USIS selects Zurich as fronting partner

Zurich North America

- 54,000 employees; 9,000 in North America
- \$2.5 billion in workers' comp premium
- 3rd largest writer of workers' comp in the US
- A.M. Best rating of A+ (superior)

USIS program results with Zurich

- Zurich/USIS program began April 1, 2010.
- There are 11 single-state monoline workers' comp insurance companies located in:
 - Colorado, Maryland, Montana, Oregon, Kentucky, California, Ohio, Oklahoma, Idaho, New Mexico, New York
- Collectively written 38,000 policies and \$500 million in premium since inception



SAIF program with Zurich/USIS

- SAIF signs the first contract with Zurich/USIS effective December 1, 2010.
- SAIF started taking submissions middle of January 2011 and wrote our first policies effective February 1, 2011.
- SAIF can write in all other states with the Zurich/USIS program.

Dedicated OSC team

- Program manager
- Underwriting
 - Regional underwriter
 - Dedicated assistant underwriter
 - Workgroup
- Claims coordinator
- Audit specialist

SAIF OSC book overview

(as of 4.18.22)

\$17.5M

OSC written premium

1,437

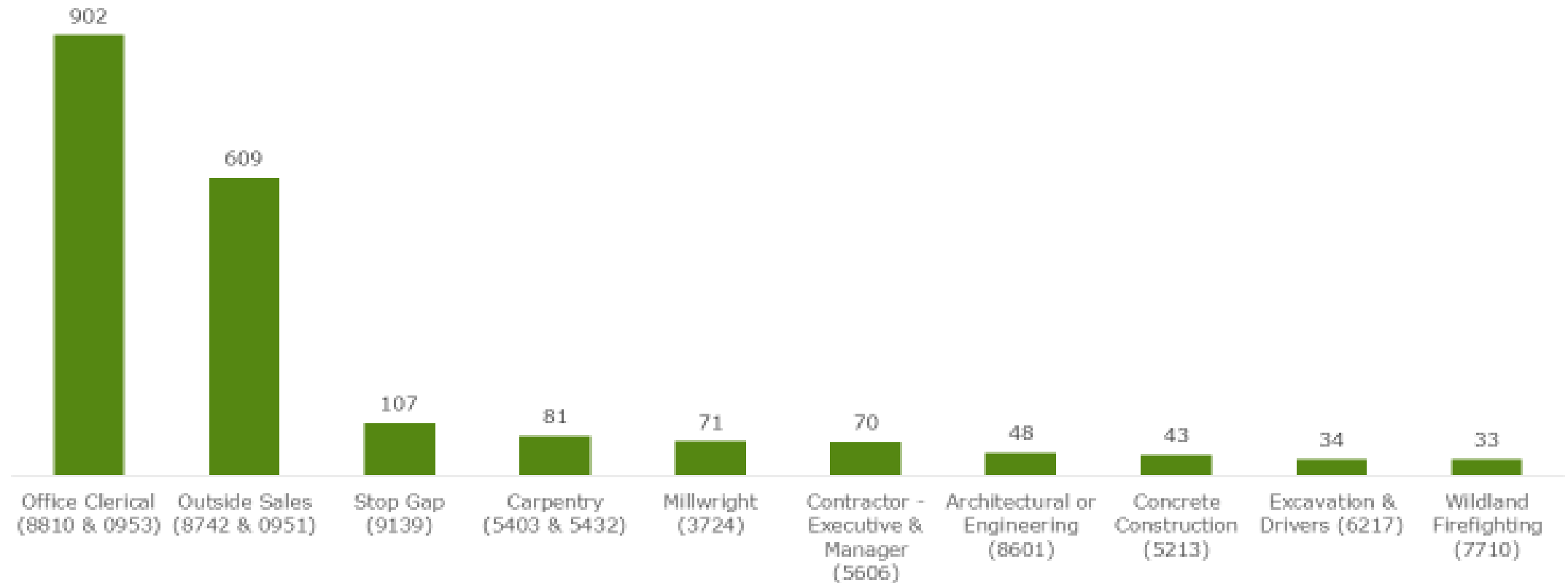
OSC policies

\$80.3M

*SAIF standard premium tied
to OSC*

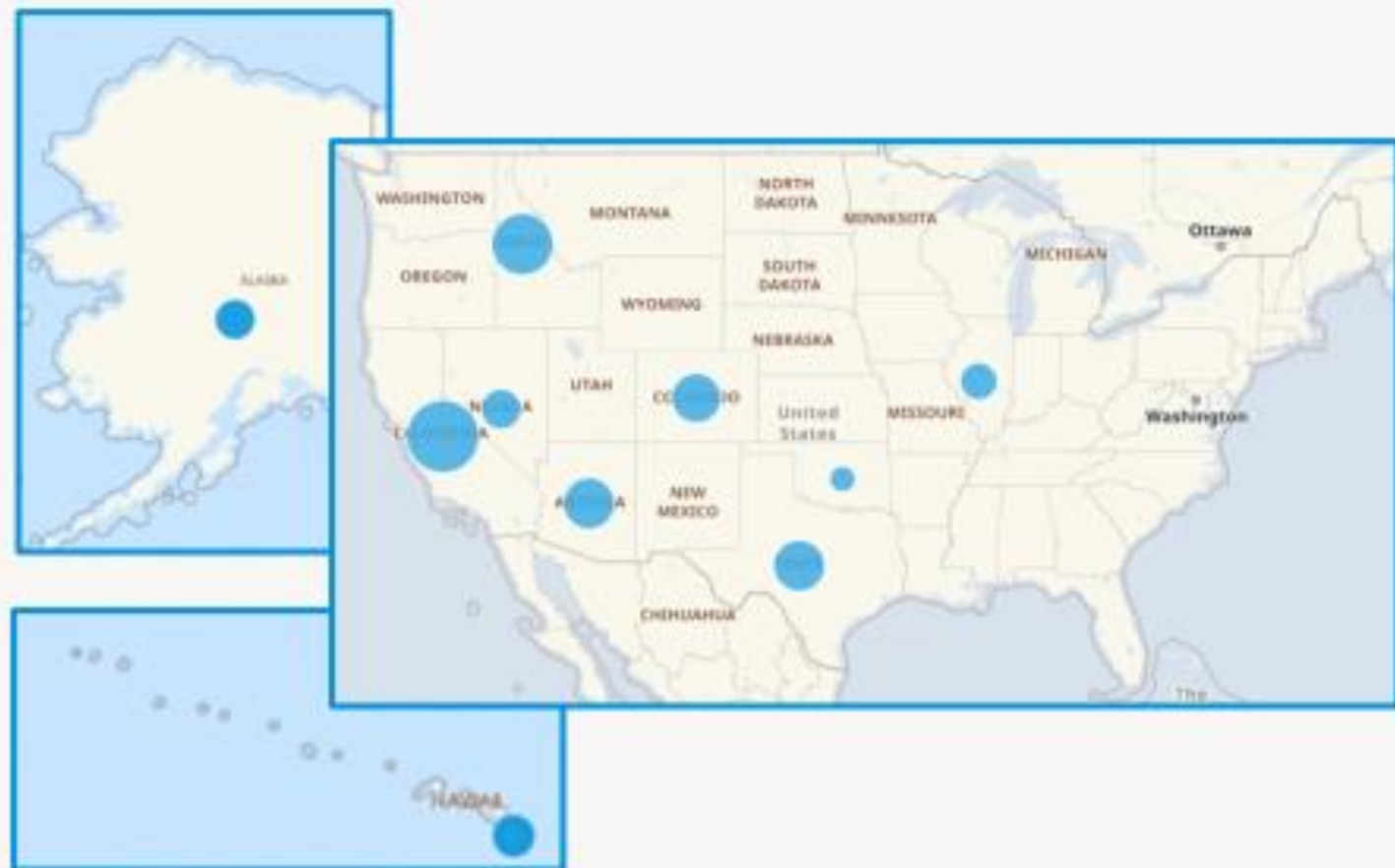
Top 10 Class Codes by OSC Policy Count

(YTD as of 4/18/22)



Top 10 States by OSC Written Premium

(as of 4/18/22)



State	OSC Written Premium
California	\$7,220,867
Idaho	\$1,837,115
Oklahoma	\$784,923
Colorado	\$676,463
Arizona	\$566,110
Nevada	\$534,150
Alaska	\$528,657
Texas	\$422,477
Illinois	\$410,251
Hawaii	\$394,972

Top 10 States by OSC Policy Count

(as of 4/18/22)



State	OSC Pol Count
California	597
Idaho	448
Texas	312
Arizona	303
Colorado	279
Montana	205
Florida	196
Nevada	189
North Carolina	173
Utah	155

Eligibility and underwriting guidelines

Employers must meet at least **one** of the following conditions:

- The employer is incorporated in the state of Oregon or a registered LLC.
- The employer is headquartered in the state of Oregon.
- The employer's payroll for its Oregon workers equals at least 50 percent of the employer's payroll for all workers.

Additional underwriting guidelines

- If an employer's Oregon coverage is canceled for any reason, the employer's other states policy will also be cancelled.
- Coverage must expire to coincide with the Oregon policy.
- Audits are handled through the normal SAIF process concurrent with the Oregon audit.
 - Self-audit process
 - Zurich reconciliation
- OSC audit records must be made available in Oregon for audit purposes.

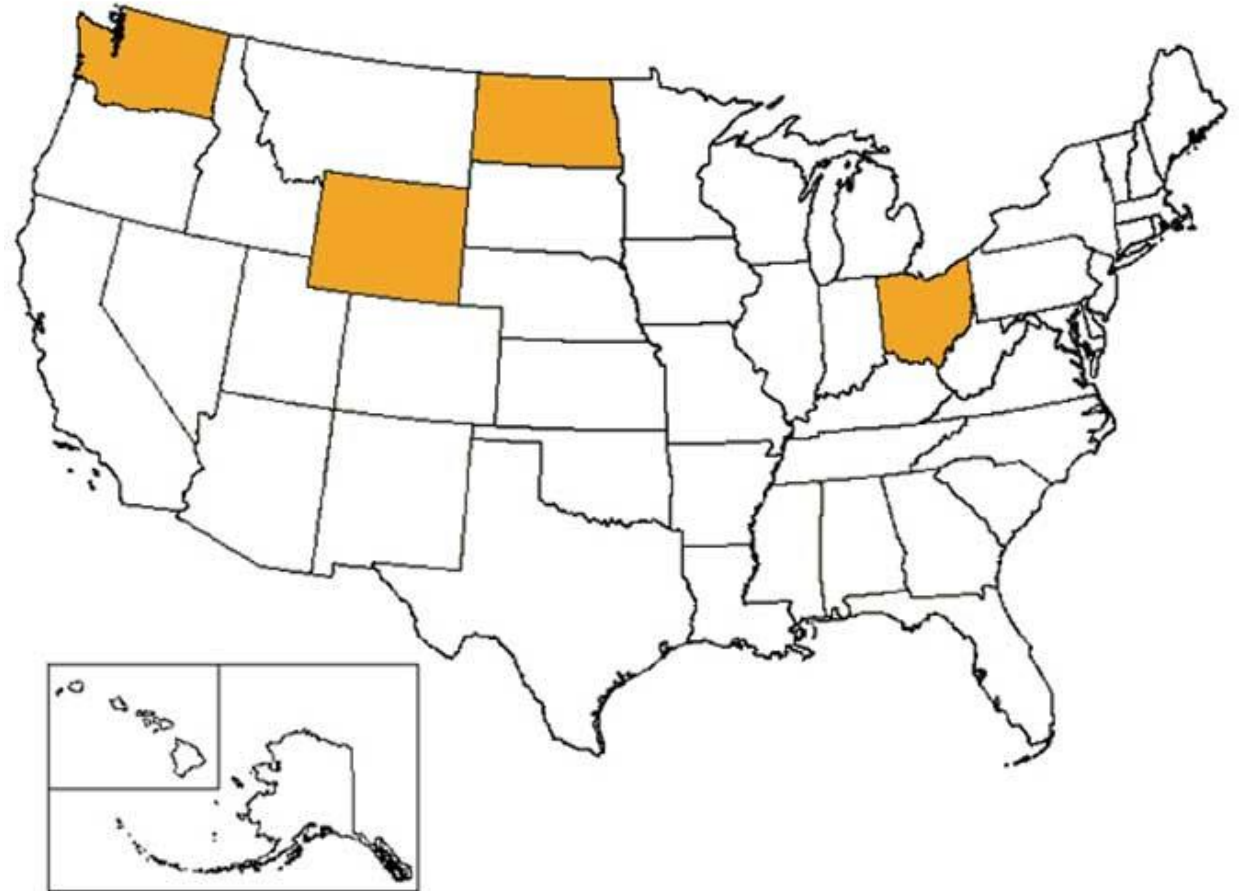
OSC program limitations

- Temp leasing companies
- Federal coverage
 - USL&H/FELA
- Cannabis
- Aircraft or aviation

What about monopolistic states?

Stopgap coverage applies in four monopolistic states:

- North Dakota
- Ohio
- Washington
- Wyoming



What is Stop Gap?

Stop Gap Coverage protects employers from litigation by employees who fall ill or are injured on the job. In most states, this coverage is provided through [employer's liability insurance](#), which comes as part of a [workers' compensation](#) policy. Stop Gap Coverage covers the costs associated with lawsuits brought on by employees who fall ill or are injured on the job.

In certain states, [monopolistic states](#), employers liability insurance is not included in the workers' comp policy. In order to secure employers' liability coverage, businesses in these states need Stop Gap Coverage, which commonly comes as an [endorsement](#) on a [general liability](#) policy.

Submission requirements

A complete ACORD application with payroll by class, by state

Supporting documents:

- Detailed description of operations
- Loss runs for each prior carrier
- ERM worksheets from non-NCCI states
- Additional state-specific information
- Safety information
- Number of employees by **location**
 - CA territory modifier
- Contact information for claims purposes
 - Name/phone number/email

States with independent rating bureaus

- California
- Delaware
- Michigan
- New Jersey
- Pennsylvania
- New York
 - Effective fall 2022



Where to submit

- Send new submission applications to the other states coverage team at OSCworkgroup@saif.com.
- Do not submit OSC business through saifQuote or to **saifsubmissions.com**.

Pricing

- Zurich and SAIF coverage are not combined for premium discount or other purposes.
- Retrospective rating plans not offered
- Nonparticipating for dividends
- Zurich pricing includes:
 - State-specific filed rates
 - State minimum premiums
 - Schedule rating available
 - Each exposure priced on its own merits

Zurich companies

- **Zurich America (ZA)**
 - Over 95% of OSC policies are priced within this company.
- **American Zurich (AZ)**
- **Zurich American Insurance Company of Illinois (ZAIC)**

Schedule rating

Schedule rating characteristics:

- Classification peculiarities
- Employees
- Management cooperation/safety organization
- Medical facilities control
- Premises/work environment
- Safety devices and equipment/RTW program

Payments and election notices

- SAIF bills and collects all premiums.
- All other payments are due based on the installment dates outlined on the notice of election and will bill out on SAIF invoice.
- All billings will be included as a separate line item on the current Oregon invoice.

Part 3C | All states coverage

3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers' Compensation Law of the states listed here:

FLORIDA, WISCONSIN

B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3.A.

The limits of liability under Part Two are:	Bodily Injury by Accident:	1,000,000	each accident
	Bodily Injury by Disease:	1,000,000	policy limit
	Bodily Injury by Disease:	1,000,000	each employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

ALL STATES EXCEPT ND, OH, WA, WY, OR AND THOSE STATES LISTED IN 3 A.

Part 3C | All states coverage

- All other states policy
- If you begin work in a state not listed in 3A and is not specifically excluded in 3C, we can add that state to the policy to be compliant in that state.

Reciprocity and state subjectivity

- Extraterritorial provisions
- Specific guidelines
 - Wildland firefighter
 - H-2B workers
 - Trucking
 - Telecommuting

[Oregon Workers' Compensation Division : Out-of-state coverage : Employer coverage tools : State of Oregon](#)

Google search: *Oregon Workers' Compensation Reciprocity*

Safety management services

- Safety services are available for OSC policyholders on a limited basis.
- Agents should review service needs and expectations with their OSC underwriter.
- Safety services will determine ongoing needs that may include on-site visits or phone consultations.

Zurich claims

New claims are reported directly to Zurich by the policyholder.

OSC claims may be filed by:

1. <https://webclaims.zurichna.com/mainpage.aspx>
2. 800.987.3373
3. Fax: 877.962.2567
4. Email: USZ_CareCenter@Zurichna.com

Claims filed online or by phone require no specific claim form. Zurich generates the first report and sends a copy to the employer for its records.

You can find this information at saif.com, on the initial policy documents, or email the claims coordinator.

Claims administration

- An assigned team of Zurich adjusters
- All OSC claims managed by Zurich or the assigned TPA claims staff
- 16 workers' comp claim centers
- Oversight provided by SAIF.

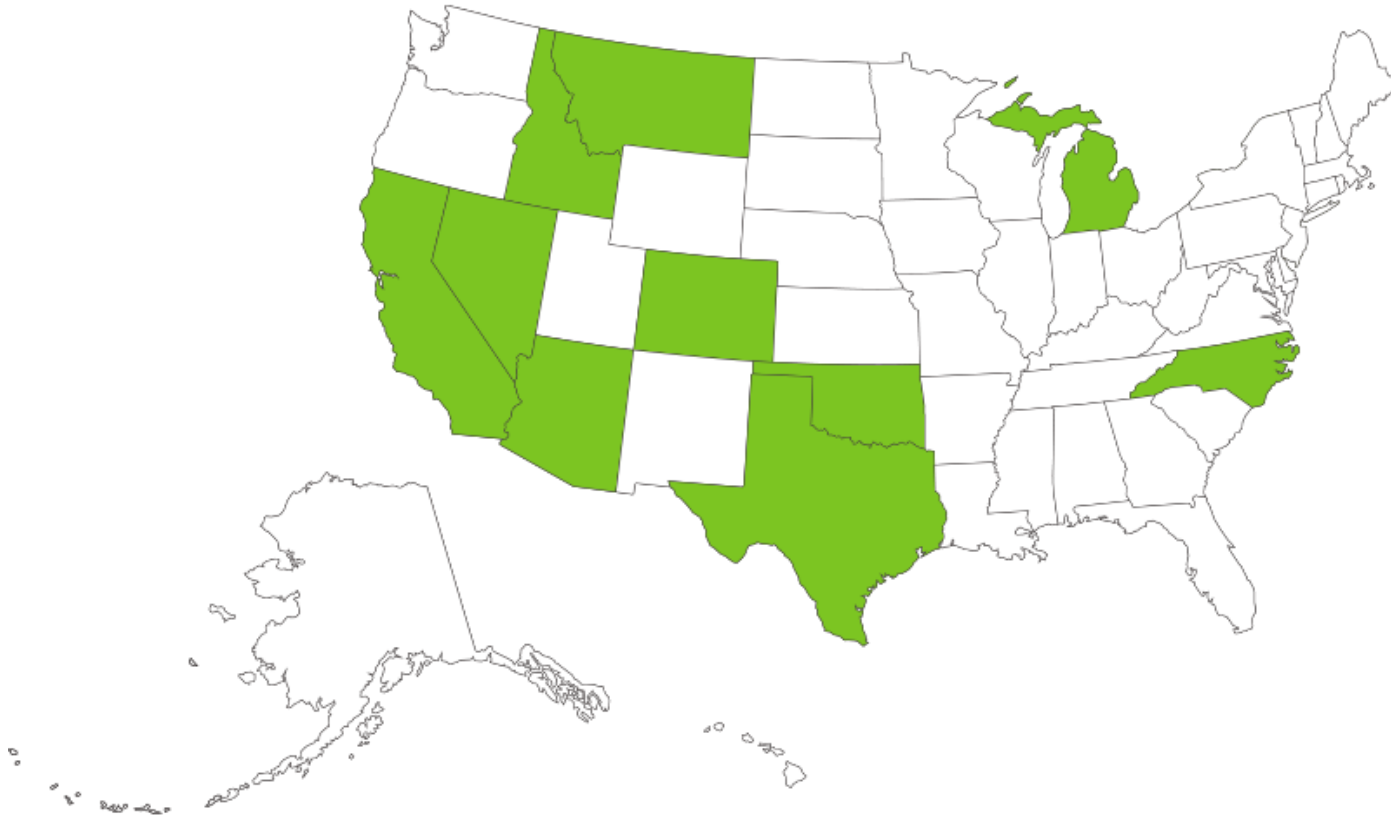
States with third-party administrators

- States with third-party administrators are Alaska, Hawaii, and Idaho.
 - Alaska and Hawaii – Sedgwick
 - Idaho – Intermountain
- Third-party administrators enter claim information directly into the Zurich system.

Zurich OSC claims

- First claim was February 1, 2011.
- 4957 total claims filed since inception
- Where are claims being filed?

Top 10 states with claims



CA	1174
ID	599
CO	386
AZ	290
MT	294
OK	236
NV	228
TX	157
NC	157
MI	134

COVID

- How has Zurich handled COVID claims?
- Impact of CA WCD rules.

How to work with the claims coordinator

Dedicated OSC claims coordinator

- Claims management oversight
- Claims subjectivity/jurisdiction
- State education and claim filing
- Onboarding
- File reviews
- Accesses/Zurich Risk Intelligence questions
- Zurich claims analytics

Claim highlights

- Zurich loss-run information
- Settlements
- Return to work
- Jurisdiction/subjectivity



To receive credit for this session, scan here to check out.

Or, sign out at the back of the room.

