

## Workers' Compensation Self-Insurance Group (SIG) Excess Insurance Checklist

*Unless otherwise approved by the Commissioner of Insurance, a Self-Insurance Group shall obtain excess insurance for losses that exceed a Group's retention in an amount that will pay all benefits required under the Texas Labor Code and 28 Texas Administrative Code §5.6405. In no event, however, shall a SIG's excess insurance coverage be less than \$10 million per occurrence.*

Texas authorized/admitted insurer  
Name: \_\_\_\_\_

OR

Texas eligible surplus lines insurer  
Name: \_\_\_\_\_

Please submit the following:

- SIG Notification form (FIN468)
- Copy of the proposed Excess Loss policy, renewal forms, certificates, endorsements and any other amendments or applicable agreements/documents.

If an eligible Surplus Lines Carrier, please submit the following (a SIG cannot enter into an Excess Loss arrangement with a Surplus Lines Carrier without Department prior approval):

- An affidavit signed by both the SIG and its agent, evidencing that accessing the non-admitted market was done in compliance.
- Copy of AM Best report reflecting A- or better rating.
- Copy of Letter of Credit in compliance with 28 TAC §5.6405.
- Affidavit signed by both parties (SIG/Surplus Lines Carrier) that:
  - All related recoverable and receivables be collected within no later than 90 days.
  - The Department will be notified in no less than five (5) calendar days by the Group upon its receipt a notice of cancellation/nonrenewal.
  - The Department will be notified in no less than thirty (30) calendar days prior to the effective date of any proposed change in the excess insurance policy, by endorsement or otherwise.

If the Group wishes to obtain excess insurance in an amount that is different than the amount required by 28 TAC §5.6405(a), please submit the following:

- Supportive business plan that justifies the Excess Loss proposal, including but not limited to current market conditions, a SIG's size, types of employment, years in existence, and risk exposure that might make compliance with 28 TAC §5.6405. Please include any additional financial security available to the group or any other relevant factors that give a level of assurance that the proposed Excess Loss structure is adequate.