



## Common Inspection Issues and Questions

Texas Department of Insurance  
Loss Control Program

# Qualification of Loss Control Representative



- ✓ Include date of birth as an identifier.
- ✓ TDI does not require a Social Security Number.

- Common errors page 1, include:
  - check “certification other,” but do not define; and
  - do not include copy of the certification.

**TEXAS DEPARTMENT OF INSURANCE**  
Regulatory Policy Division - Loss Control Program (104-LC)  
333 Guadalupe, Austin, Texas 78701 \* PO Box 149104, Austin, Texas 78714-9104  
(512) 676-6750 | F: (512) 490-1048 | (800) 578-4677 | TDI.texas.gov | @TexasTDI

**LOSS CONTROL REPRESENTATIVE QUALIFICATION REVIEW**

Pursuant to Title 28, Texas Administrative Code, §§.311 and §§.1731, Qualifications of Personnel Providing Loss Control Information and Services, the following information is required in order to process the review of qualifications. If qualifications are approved, Loss Control Information/Services may be provided to Texas policyholders under the authority of subparagraph three of the above statutes.

**PART I**

INSTRUCTIONS: Complete Part I, Personal Data, and proceed to Part II.

**PERSONAL DATA**

NAME: Doe John A DATE OF BIRTH: \_\_\_\_\_  
Last First Middle Name Maiden Name

TITLE OR POSITION: Loss Control Representative EMPLOYER: New Insurance Company, Inc.

BUSINESS MAILING ADDRESS: PO Box 000 Austin TX 0000  
St./P. O. Box City State Zip Code

HOME MAILING ADDRESS: PO Box 000 Austin TX 0000  
St./P. O. Box City State Zip Code

Which Address Should Be Used For Correspondence?  BUSINESS  HOME (check one)

BUSINESS PHONE: ( 000 ) 000-0000 HOME PHONE: ( 000 ) 000-0000 SSN: N/A

**PART II**

INSTRUCTIONS: If qualifying through a professional certification, complete Section A. If qualifying through a degree in engineering or science, complete Section B. If qualifying through other education, training and/or experience, complete Section B and Section C. All applicants require signature and date.

**Section A. CURRENT PROFESSIONAL REGISTRATIONS OR CERTIFICATES**

Enclose copy of current membership certificate.

Certified Safety Professional: Certificate No. \_\_\_\_\_

Certified Industrial Hygienist: Certificate No. \_\_\_\_\_

Registered Professional Engineer: Certificate No. \_\_\_\_\_ State \_\_\_\_\_

Other: Certificate No. 123445 State \_\_\_\_\_

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# Qualification of Loss Control Representative



- Common errors page 2, include:
- not providing the college transcript when qualifying solely based on education;
  - Section C is not completed for the current employer and does not provide a description of safety experience; and
  - is missing a signature or date.

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**Section B EDUCATION**

1. COLLEGE EDUCATION  
If qualification is based SOLELY ON EDUCATION, ENCLOSE A COPY OF THE COLLEGE TRANSCRIPT.  
A transcript must be available for review, if requested by the Texas Department of Insurance.

College or University	City, State	Attend From/To	Semester Hours Completed	Course/Major	Degree Earned
New University	Austin, TX	0000-0000	120	Engineering	BS

2. OTHER SAFETY RELATED TRAINING  
List Insurance & Safety Courses, Correspondence Courses and Organizations.  
ENCLOSE A COPY OF ANY CERTIFICATES.

Course Name	Institution	Length of Course	When Completed	Certificate of Completion Issued

**Section C PROFESSIONAL SAFETY EXPERIENCE RECORD**

Name of Employer: \_\_\_\_\_  
Employer Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Dates of Employment: \_\_\_\_\_ from \_\_\_\_\_ to \_\_\_\_\_ Position or Title: \_\_\_\_\_  
Supervisor: \_\_\_\_\_ Name: \_\_\_\_\_ Title: \_\_\_\_\_ Supervisor's current telephone number: \_\_\_\_\_  
Percentage of time/month spent on listed safety work: \_\_\_\_\_ %

DESCRIPTION OF SAFETY EXPERIENCE List in chronological order with current experience first.  
Explicit explanation of actual job performance is REQUIRED.

(Document additional employment history and information using copies of format as shown on the following page.)

I certify that the preceding statements, including attachments, are accurate to the best of my knowledge and I authorize the Texas Department of Insurance to verify the information. I understand that any falsification of information in this review form, including attachments, may be cause for rejection or withdrawal of qualification.

Signature (in ink) \_\_\_\_\_ Date \_\_\_\_\_

Return application to: Texas Department of Insurance  
Loss Control Program  
Mail Code 104-LC  
P. O. Box 149104  
Austin, Texas 78714-9104

For further information or questions, contact (512) 676-6750.

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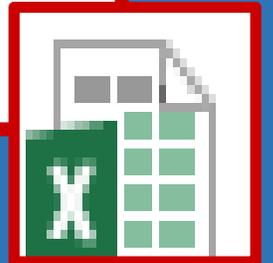


# List of Insureds



Common errors on the list of insureds include:

- ❖ including non-liability claims;
- ❖ including non-Texas claims;
- ❖ only listing insureds once, and not providing data for all years
- ❖ not organizing the list in the manner TDI requested; and
- ❖ not providing a key to decipher codes. For example, prefix, coverage type, or company names.



# Notice

Common errors on the Notice of Available Loss Control Information and Services include:

- ❖ not including that the services are provided “at no cost”;
- ❖ not providing a direct phone number for insured’s to request information and services;
- ❖ not including the company or group name; and
- ❖ not including the line of business.

## TEXAS NOTICE – NOTIFICATION OF THE AVAILABILITY OF LOSS CONTROL INFORMATION/SERVICES

[Group/Company] is committed to providing loss control information/services, at no charge, to its Texas commercial automobile liability, general liability and professional liability policyholders in an effort to prevent and reduce potential claims and losses.

For more information or to request services, please contact:

[Contact information and phone number]

# Informational Worksheets



Common errors on the Informational Worksheets include:

- ❖ missing information for all years (current and prior two);
- ❖ not answering all questions;
- ❖ answering questions too briefly (one or two words); and
- ❖ not dating the services offered or provided so the inspector can find supporting documentation in the loss control file.



TEXAS DEPARTMENT OF INSURANCE

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EVALUATION OF LOSS CONTROL INFORMATION FOR INSURANCE COMPANIES IN TEXAS PROVIDING  
GENERAL LIABILITY INSURANCE or for PROFESSIONAL LIABILITY INSURANCE for INSURED'S other than HOSPITALS  
**LOSS CONTROL INFORMATION WORKSHEET**

**PART A**

1. a. Policy #:	1-123-123456789	b. Policyholder Name:	XYZ Feed & Fertilizer Inc.
c. Location of Risk:	Imagination, Texas	d. Policy Effective Date:	1/1/2015
e. Best Hazard Index:	Premises 4/Products 6	f. Experience Modifier (if applicable):	N/A
2. Number of Claims:	Current Policy Yr: 7	1st Prior Yr: 7	2nd Prior Yr: 10
3. Loss Ratio:	35%	36%	95%
4. Number of Visits:	0	0	1
5. Date of Last Visit:	3/1/15	6. Estimated Annual Premium:	\$9,500
7. a. Insurance Company:	ABC Insurance Company		
b. Completed By:	John Doe	c. Date:	10/5/2016

**PART B**

- Description of operations:  
retail feed sales
- List the potential risks/hazards associated with the operation of this business that could cause a loss or claim.  
Those normally associated with this type of business
- Describe the types of losses most frequently experienced by this account and any trends identified.  
see loss run
- Describe measures taken by your company and/or the policyholder to control identified loss sources:  
Additional photos received

(Continued)

# Informational Worksheets



## Part B (Cont'd)

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5. Training assistance provided:  
Have you provided training assistance to the insured?   
If so, in what form?   
If not, for what reason (explain why assistance is not required)?
6. Does the insured have a formal (written) safety program?   
If so, what is your opinion of it? Provide examples of different aspects of the program (or lack thereof) that caused you to reach this conclusion:
7. Loss/accident analysis provided?   
Has insured's loss experience justified analysis?   
If so, describe the type of analysis conducted, its result/conclusions and the manner in which the results were presented to the insured.
8. Is this account currently being written? If not, why?
- Non-Renewed by insurance company (explain circumstances)  
 Cancelled by insurance company (explain circumstances)  
 Non-Renewed by policyholder

### Instructions for Completing Part A

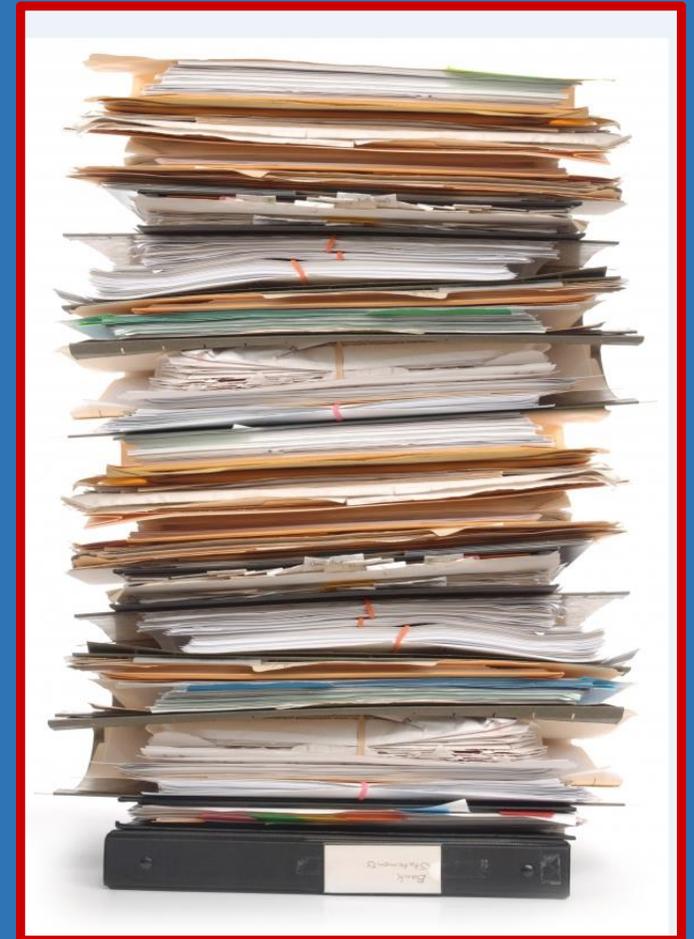
- Policy Number.
  - Name of policyholder, e.g. "Acme Widget Company".
  - City in which policyholder's main office is located.
  - Date current policy took effect.
  - Best Hazard Index.
  - Experience Modifier.
- Number of claims in the current policy year to date, followed by the total number of claims in the two previous policy years.
- Loss Ratio =  $\frac{\text{Incurred Losses}}{\text{Earned Premium}}$
- Number of visits to the account made by the Loss Control Representative in the current policy year to date, followed by the total number of visits made in the two previous policy years.
- Date of last visit or direct communication with the policyholder by a Loss Control Representative.
- Estimated annual premium for the current policy year. If a policy is retrospective, cost plus or self-rating plan, enter your best estimate of the annual premium.
- Name of insurance company providing coverage.
  - Name of person who completed the worksheet.
  - Date worksheet was completed.

# Files



Common errors on the Loss Control files include:

- ❖ missing documentation;
- ❖ missing surveys and confirmation letters;
- ❖ missing emails and telephone logs;
- ❖ documents not organized in their own folder, arranged in date order, and stapled; and
- ❖ the files include underwriting information.



# Recommendations



Common errors with making recommendations to insureds include:

- ❖ lack of direct communication of delivery of the recommendations to insureds or documentation that a third party delivered the recommendations to insureds; and
- ❖ lack of documentation of follow up or closing the recommendation.



# Review



Common errors with reviewing policies include:

- ❖ not reviewing insured's losses quarterly at a minimum for frequency and severity; and
- ❖ not using the triggers for review of three reported losses or 100 percent loss ratio.\*

\* After inspecting insurance companies over our years of regulation, TDI considers these items best practice to ensure all insureds receive appropriate and timely consideration of services.



# Common issues that lead to an inadequate rating

Issues leading to an inadequate rating include:

- 1) not providing required materials by the due date;
- 2) not providing file documentation of services offered or rendered;
- 3) not representing a line of insurance; and
- 4) failure to manage and quality control it's third party entities with loss control authority. (for example MGAs and MGUs)  
This failure often leads to the issues listed above.



# Tips for a smooth inspection



- 1) Thoroughly read all letters from TDI.
- 2) Provide submissions by the due dates.
- 3) Make complete submissions, in the format TDI requests, and send all items in one organized packet.
- 4) Make sure the inspector has the password to any protected documents or files.
- 5) Confirm receipt of items when TDI sends emails or letters.
- 6) Notify your inspector if the account selections include non liability losses.
- 7) Ask questions if you aren't sure. TDI is here to help.

# Contact Information



Texas Department of Insurance  
Loss Control Program  
(512) 676-6750  
LossControl@tdi.texas.gov  
[tdi.texas.gov/commercial/lcguide](http://tdi.texas.gov/commercial/lcguide)

