
- XI. A copy of each written agreement required under 28 TAC §5.6411 for an Administrator, TPA, Service Company, or any entity with which these services have been delegated too. Including service companies that provide cash and asset management services, maintains accounting and organizational documents (including electronic versions), and provides management of a function for which the SIG retains ultimate responsibility (relating to Contract Provisions).

- XII. Verification that a Third-Party Administrator holds the required authorization from the Department or has applied for the required authorization from the Department and that the Group will verify that such authorization has been granted by the Department before the Group allows the Third-Party Administrator to provide services to or on behalf of the Group.

- XIII. Biographical affidavits for each member of the initial board of trustees of a Group, subsequent members of the board of trustees of a Group, and the executive officers of a Administrator or service company. A biographical affidavit is not required if a biographical affidavit from the individual has been filed with the Department within the prior three (3) years and contains substantially accurate information. (see FIN 311)

Important Definitions

Self-Insurance Group (SIG)--An unincorporated association or business trust composed of five or more private employers that meet all of the requirements of the Labor Code Chapter 407A.

Administrator--An individual, partnership, or corporation engaged by the board of trustees of a Group to implement the policies established by the board of trustees and to provide day-to-day management of the Group, as defined in the Labor Code §407A.001(a)(1). Day-to-day management may include, but is not limited to, claims adjustment; safety engineering; compilation of statistics and the preparation of premium, loss, and tax reports; preparation of other required self-insurance reports; development of members' assessments and fees; and administration of a claim fund. Administrator includes and has the same meaning as managing company, as that term is defined in the Labor Code §407A.001(a)(5-a). Any reference to the term Administrator in all contexts necessarily includes and references both Administrator and managing company.

Third-Party Administrator--An Administrator or service company, as those terms are defined includes an individual or entity holding itself out or acting as an Administrator, as that term is defined in the Texas Insurance Code §4151.001(1). A Group shall engage only one Administrator to implement the policies established by the board of trustees and to provide day-to-day management of the Group. A Group may engage more than one service company to provide services to the Group. An individual, partnership, or corporation may act as an Administrator for more than one Group. An individual, partnership, or corporation may act as an Administrator for one Group and as a service company for another Group. An individual, partnership, or corporation may not act as both an Administrator and a service company for the same Group at the same time.

Service company--A person that directly or indirectly provides services to or on behalf of a Group, other than the services provided by an Administrator, including, but not limited to:

- claims adjustment;
- safety engineering;
- compilation of statistics and the preparation of premium, loss, and tax reports;
- preparation of other required self-insurance reports;
- development of members' assessments and fees; and
- administration of a claim fund.

Books and Records--All books, accounts, records, documents, written agreements, contracts, papers, correspondence, claims files, receipts, bills, notes, pleadings, investigatory files, or any other written or electronic material relating to the business of a Group.

Certified Public Accountant--An accountant or firm in good standing with the American Institute of Certified Public Accountants and the Texas State Board of Public Accountancy and who conforms to the Code of Professional Ethics of the American Institute of Certified Public Accountants.

 Email filings to CLRFilings@tdi.texas.gov

► Questions?

Email us at CompanyLicense@tdi.texas.gov or call 512-676-6365.