

# The Regulatory Role of the Division of Workers Compensation's Self-Insurance Unit

The Division of Workers' Compensation  
Bureau of Financial Accountability  
Self-Insurance Unit

# Purpose of this Video

## The Role and Responsibilities of the Self-Insurance Unit

### Governmental Employers Role and Responsibility to be deemed self-insured

- Application Process
- Responsibilities of Governmental Self-Insurers
- Pay Assessment into the DWC Trust Funds

### Private Employers Role and Responsibility to be authorized to self-insure

- Application Process
- Responsibilities of Private Self-Insurers
- Pay Assessment into the DWC Trust Funds and FSIGA Trust Fund
- Private Self-Insurers must maintain an investment grade credit rating

### Florida Self-Insurers Guaranty Association (FSIGA)

# The Role of the Self-Insurance Unit

The self-insurance unit manages very different roles for self-insured employers:

- The Division manages the workers' compensation program for governmental self-insurers.
- The Division also manages workers' compensation programs for private self-insurers.
- The Division contracts with the Florida Self-Insurers Guaranty Association (FSIGA) to provide services for private self-insurers.

# Governmental Employers

- Application Process for Governmental Employers
- Responsibilities of Governmental Self-Insurers
- Pay Assessment into the DWC Trust Funds

# Application Process for Governmental Employers

Submit documentation showing authorization to operate as a Governmental Entity (Articles of Incorporation, Grant of Authority or Charter or Bylaws)

Governmental Application  
DFS-F2-SI-G1

Certification of Servicing for  
Self-Insurers  
Form: DFS-F2-SI-19

Estimated Payroll Report  
Form: DFS-F2-SI-GED

NCCI Experience Modification  
Worksheet  
(3 years)

# Annual Filing Requirements for Governmental Self-Insurers

Self-Insurers Payroll  
and Classification  
Report



DFS-F2-SI-5

Unit Statistical Report



DFS-F2-SI-17

Certification of Servicing  
for Self-Insurers



DFS-F2-SI-19



# Self-Insurer's Form Filing Lifecycle Tracking Screen through START

Home Welcome Active Contact with Governmental Self-Insurer Sign Out

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ISI: **Governmental Self-Insurer**      Current Status: **Active**      RED: **1/1**

FEIN: **12-3456789**      DWC #: **1234**      SIEffective Date: **8/1/1935**      SIEnd Date: \_\_\_\_\_

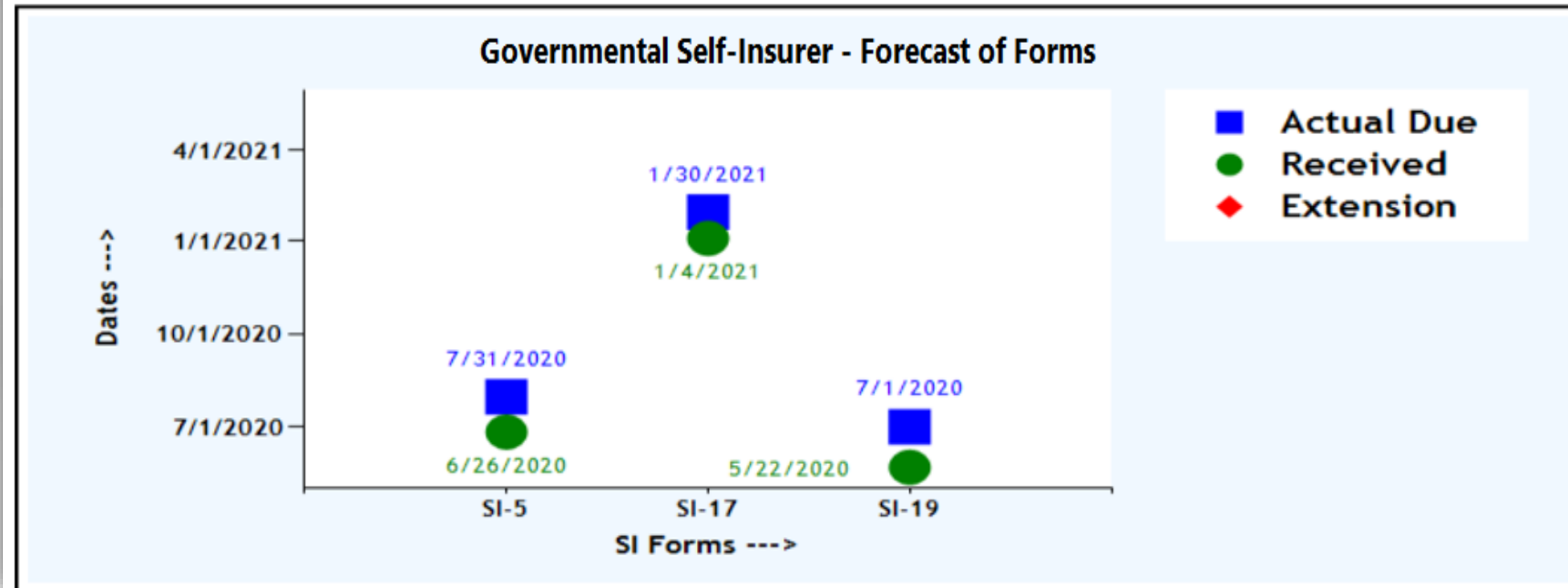
Coverage Period: ----Select---- Show Lifecycle

- 01/01/2020 - 12/31/2020
- 01/01/2019 - 12/31/2019
- 01/01/2018 - 12/31/2018

Item Due	Due Date	Date Received	Add to Calendar
Profile check-up	11/02/2019		Add this event to your calendar
Drug Free letter	01/01/2020		Add this event to your calendar
Safety letter	01/01/2020		Add this event to your calendar
Payroll for 01/01/2019 - 12/31/2019	03/01/2020	02/28/2020	Add this event to your calendar
1st Assessment Invoice	04/30/2020	05/20/2020	Add this event to your calendar
2nd Assessment Invoice	07/30/2020	07/14/2020	Add this event to your calendar
3rd Assessment Invoice	10/30/2020	10/23/2020	Add this event to your calendar
4th Assessment Invoice	01/30/2021	02/01/2021	Add this event to your calendar
Loss Data	08/30/2020	08/14/2020	Add this event to your calendar

# DWC's Forms tracking review through the START System

Forms	Due Date	Extended Due Date	Form Status	Received Date	Penalty Status	Extend Due Date
SI-17 (Loss Data)	01/30/2021		Received	01/04/2021	N/A	Extend
SI-5 (Payroll)	07/31/2020		Received	06/26/2020	N/A	Extend
SI-19 (Certification of Servicing) - Commercial Risk Management, Inc.	07/01/2020		Received	05/22/2020	N/A	Extend





## Electronic E-mail Notice

The START System sends auto-generated reminder and delinquent notices emails to all governmental self-insurers:

### Reminder Notices

- 30 days prior to Due Date
- 15 days prior to Due Date
- 5 days prior to Due Date

### Delinquent Notices

- 5 days after Due Date
- 15 days after Due Date
- 31 days after Due Date
- 61 days after Due Date

# Governmental Self-Insurers Obligation to Pay Assessments into DWC Trust Funds

Governmental Self-Insurers are required to pay an assessment into each of the following Division's Trust Funds:

- Workers' Compensation Administration Trust Fund (WCATF)
- Special Disability Trust Fund (SDTF)

# Private Employers

- Private Employers' Self-Insurance Application Process
- Responsibilities of Private Self-Insurers
- Pay Assessment into the DWC and FSIIGA Trust Funds
- Must maintain an Investment Grade Credit Rating

# Application Process for Private Employers

Private Employers must submit a completed Application Package to the Florida Self-Insurers Guaranty Association (FSGA)

Form DFS-F2-SI-1,  
Application for Self-  
Insurance

Secure a Specific  
Excess Policy  
(\$600,000 or 1.5% of  
Net Worth)

Three years of  
Audited Financial  
Statements showing  
a net worth of \$10  
million

Certification of  
Servicing  
DFS-F2-SI-19

List of all entities  
covered under the  
Self-Insurance  
authorization

Post a Security  
Deposit (minimum  
\$100,000)

NCCI Experience  
Modification  
Worksheet  
(3 years)

# Responsibilities of Private Self-Insurers

## Annual Filing Requirements

Self-Insurers Payroll  
DFS-F2-SI-5

Unit Statistical  
Report  
DFS-F2-SI-17

Certification of  
Servicing for Self-  
Insurers  
DFS-F2-SI-19

Outstanding  
Liabilities Report  
DFS-F2-SI-20

Financial Statements

Security Deposit

Specific Excess  
Insurance Policy

# Florida Self-Insurers Guaranty Association

- FSIGA provides contracted services to the Division of Workers' Compensation as it relates to private self-insured employers.
- FSIGA monitors, collects, and acts upon information and data for private self-insured employers in the state of Florida.
- As a guaranty fund established by the state of Florida, FSIGA serves as a backstop in the event of a private self-insured employer's insolvency.



# Must maintain an Investment Grade Credit Rating

Private Self-Insurers must maintain an investment grade credit rating equal to what's listed below. This credit rating shall be issued by Moody's Investors Service, Standard & Poor, or Fitch Rating.

## **Investment Grade Credit Rating**

Equals "Baa3", "BBB-" or higher

## Failure to maintain an Investment Grade Credit Rating

- Private Self-Insurers that do not have investment grade credit rating shall be required to submit actuarial reports within 120 days after the end of their fiscal year or within 90 days of the date requested by the Division or the Association.
- FSI GA will determine the value of the self-insurers current and future loss reserves.
- FSI GA will made a recommendation to the Division that self-insurer increase their security deposit to the amount of the future loss reserves listed in the actuarial report.
- The self-insurer shall post this additional security deposit amount with FSI GA  
Types of Security Deposits: Surety Bond and Letter of Credit

## Paying Assessments into the Division and FSIGA Trust Funds

Private Self-Insurers shall pay assessment into the following Trust Funds:

- Workers Compensation Administration Trust Fund (WCATF)
- Special Disability Trust Fund (SDTF)
- Florida Self-Insurers Guaranty Association Trust Fund (FSIGA)

Thank you for viewing the Regulatory Role of the Division of Workers' Compensation's Self-Insurance Unit presentation.

If you have any questions or need additional information, please contact us at:

Department of Financial Services  
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