

**Title 8. Industrial Relations**  
**Division 1. Department of Industrial Relations**  
**Chapter 8. Office of the Director**  
**Subchapter 2. Administration of Self Insurance Plans**

**Article 2. Certificate of Consent to Self-Insure**

**§ 15203.2. Continuing Financial Capacity for Individual Private Self-Insurers.**

(a) Each individual private self-insurer holding an active or revoked Certificate of Consent to Self-Insure shall submit annually via an online platform at <http://www.dir.ca.gov/osip> a copy of the employer's current, certified, independently audited financial statement complete with all notes and schedules. If the individual private self-insurer or former self-insurer did not prepare a current, certified, independently audited financial statement of its financial condition, or of a parent or holding company's financial condition if a Guaranty of Workers' Compensation Liabilities (Form A-4 (1-2016)) has been executed on its behalf by that parent or holding company pursuant to Section 15211.2 of these regulations, the self-insurer or former self-insurer shall advise the Chief in writing and submit a financial statement prepared by an independent certified public accountant. Failure to submit a qualifying financial statement pursuant to this section may result in an increased security deposit requirement pursuant to subsection (c) and/or revocation of the Certificate of Consent to Self-Insure for good cause pursuant to Labor Code Section 3702.

~~(b) Any joint powers authority which is solely responsible for the self insurance claims of its public members shall submit annually to the Chief a consolidated report of its financial condition and/or, if available, a current, certified, independently audited financial statement complete with all notes and schedules.~~

~~(e)~~ (b) Impairment of solvency of a current or former private individual self-insured employer, indicated by a marked reduction in financial strength, or the lack of an independently prepared, audited financial statement, is good cause for an increased security deposit pursuant to Section 15210.1 of these regulations and/or involuntary revocation of a Certificate of Consent to Self-Insure, an Affiliate Certificate, or a Subsidiary Certificate pursuant to Labor Code Section 3702.

~~(d)~~ (c) Each private employer applicant for a Certificate of Consent to Self-Insure shall meet the following minimum conditions: (1) three calendar years in business in a legally authorized business form (e.g. corporation, partnership, proprietorship, non-profit, etc.); (2) have three years of audited financial statements prepared by an independent certified public accountant; and (3) on the date of application to self-insure, have an acceptable credit rating, as specified in Section 15220(d)(2), for each of three full calendar years prior to the date of application as demonstrated pursuant to Section 15220.1, and directly post a security deposit as required by Section 15210(d).

Note: Authority cited: Sections 54, 55 and 3702.10, Labor Code. Reference: Sections 59, 3700, 3701, 3702, and 3702.10, Labor Code.

\* \* \*

**§ 15203.11. Continuing Financial Capacity for Public Self-Insurers. [New]**

(a) Each individual public self-insurer holding an active or revoked Certificate of Consent to Self-Insure shall submit annually a report on demographic data and a summary of the financial condition of its workers' compensation program on Form P-1 (1-2019) or in a similar format that includes the same data elements as Form P-1.

(b) Any joint powers authority which is solely responsible for the self-insurance claims of its public members and holds an active or revoked Certificate of Consent to Self-Insure shall submit annually a consolidated report on demographic data, types of coverage provide to its members, and a summary of the financial condition of its workers' compensation program on Form J-1 (1-2019) or in a similar format that includes the same data elements as Form J-1. The joint powers authority shall file with its Form J-1 report a current, certified, independently audited financial statement complete with all notes and schedules, if available.

(c) The reports required by this section shall be submitted via an online platform at <http://www.dir.ca.gov/osip> on or before October 1 of each year and shall cover liabilities for the preceding July 1 – June 30 fiscal year.

(d) The financial information reported pursuant to this section shall be based on the certificate holder's most recent certified, independently audited financial statement, if available. If no such statement is available or the most recent statement is over three years old, reported information shall be based on the certificate holder's most recent financial statement by an independent Certified Public Accountant (CPA). If neither is available, the certificate holder shall identify the source of information for its report, including the name of the document, source, date, and the name and contact information for the preparer or custodian.

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**Article 5. Self-Insurer's Annual Report**

**§ 15251. Self-Insurer's Annual Report.**

(a) Each self-insurer shall file a Self-Insurer's Annual Report every year as required by subsections (b) through (g) of this section and shall continue to file a Self-Insurer's Annual Report annually after revocation of the Certificate of Consent to Self-Insure until a final Self-Insurer's Annual Report has been filed showing all claims have been closed and there are no remaining claims with the expectation of future liabilities. Each year no later than sixty (60) days before the deadline for filing the Self-Insurer's Annual Report pursuant to subsection (b) or subsection (c) of this section, whichever applies, the Chief shall post the Annual Report form, along with instructions for completing the form and showing the years to be reported, on the website of the Office of Self-Insurance Plans at <http://www.dir.ca.gov/osip>. Each self-insurer shall file a Self-Insurer's Annual Report via an on-line platform provided by OSIP as follows:

- (1) Form AR-1 (1-2016) for individual private and private group self-insurers;
- (2) Form AR-2 (1-2016) for all public self-insurers, including those that are members of a Joint Powers Authority.

(b) For private self-insurers, individual or with a group, the report shall be filed on or before March 1 of each year and shall include the following information:

(1) General Information.

(A) Certificate to Self-Insure number, status of certificate, and period of report.

(B) Name and address of master certificate holder, state of incorporation, federal tax identification number, and first three (3) digits of North American Industry Classification System (NAICS).

(C) List of all subsidiaries or affiliate companies that are covered by the master certificate to self-insure, their state of incorporation, and their subsidiary/affiliate certificate number.

(D) Notification of any reincorporation, merger, change in name or identity or any additions to the self-insurance program by the master certificate holder or any subsidiary/affiliate company during the reporting period.

(E) Name and address of person to whom all correspondence related to self-insurance should be addressed.

(F) Employment and wages paid in that calendar year as reported to Employment Development Department on the employer's Form DE-9 Quarterly Report or other similar Employment Development form used to report employment and wages in that calendar year.

EXCEPTION: A Certificate to Self-Insure that is revoked for three full years is not required to submit this employment and wage information.

(2) Claims Liability and Administrator Information.

A Liabilities by Reporting Location report shall be submitted by each claims administrator administering claims for the said self-insurer and shall include:

(A) All claims reported on or before December 31 of each of the five (5) prior calendar years (January 1 through December 31), showing indemnity and medical payments grouped as incurred liability, paid to date and future liability.

(B) All open claims reported prior to the five (5) years shall also be reported as in subsection (b)(2)(A), but in a single line entry;

(C) For the reporting year of the annual report the total of indemnity and medical future liability, the total estimated future liability of claims, the total benefits paid, number of medical only cases reported, number of indemnity cases reported; number of fatality cases, number of claims for which the employer or administrator was notified of representation by an attorney or legal representative in the reporting year, and number of new applications for adjudication received for any claims that year.

(D) Total number of open indemnity cases in all years.

(E) Name, address and Certificate to Administer number of the self-insurer's claims administrator.

(F) Notification of any change in administrator during the period covered by the report and, if applicable, the name and address of the prior administrator.

(G) A certification by the qualified claims administrator that the report is true, correct and complete with respect to the workers' compensation liabilities incurred and paid, signed and dated with the name and address of the said administrator completing the Liabilities by Reporting Location page.

(3) Location of Claims Records Information. The name and address of any location other than the current administrator where self-insurance claims records are stored.

(4) Insurance Information. Name and policy number of any standard workers' compensation insurance policy, specific excess workers' compensation insurance policy, or aggregate worker's compensation insurance policy held by the self-insurer along with policy issue date and retention levels of liability of the policies.

(5) Open Indemnity Claims Information. A list of all open indemnity claims by reporting location by year, and alphabetically within each year. The list shall:

(A) Show the name of each claimant, date of injury, description of injury, amount of benefits paid-to-date in indemnity and medical payments and estimated future liability of claim for indemnity and medical benefits.

Note: Computer Loss Runs showing the information requested and organized as set forth in this subsection will be acceptable in lieu of the List of Open Indemnity Claims.

(B) Show any open claim reported to the carrier of a specific excess insurance policy, and for which the carrier has not denied in writing the claim liability in whole or part above the retention level of the policy. The list shall include the name of the claimant, claim number, date of injury, description of injury, carrier name and policy number, policy coverage period, retention level of policy and paid to date in indemnity or medical benefits, and the estimated future liability of the claim minus the total unpaid employer retention, which equals the total unpaid carrier liability. The list shall also indicate whether the claim has been reported to a carrier, if the claim has been accepted by the carrier, if the carrier has denied any part of the liability of the claim.

(6) Specific Excess Coverage Calculation. A calculation which includes a total of all unpaid carrier liability.

(7) Company Officer Certification Information. The name, title, address, phone number and signature of the company officer authorized to certify that the report is true, correct and complete and acknowledging the company's responsibility to post and maintain the required security deposit that is due as a result of this report.

(c) For all public self-insurers, whether or not a member of a joint powers authority, the report shall be filed by October 1 of each year to cover liabilities during the July 1-June 30 fiscal year and shall include:

(1) General Information.

(A) Name and address of master certificate holder (individual agency or joint powers authority as applicable), federal tax employer identification number, and type of public agency.

(B) Agency name and certificate numbers of all of the joint powers authority's members.

(C) A certification by the individual public agency or joint powers authority official that the report is true, correct and complete.

(D) Notification of any reincorporation, merger, change in name or identity or any additions to the self-insurance program by the master certificate holder or any subsidiary/affiliate company during the reporting period, and identification of any employees not included in the self-insurance program.

(E) Name, and address, telephone number, and email address of person to whom all correspondence related to self-insurance should be addressed.

(F) Employment and wages paid in that fiscal year as reported to Employment Development Department on the employer's Form DE-9 Quarterly Report or other similar Employment Development form used to report employment and wages in that fiscal year.

EXCEPTION: A public employer whose Certificate of Consent to Self-Insure has been revoked is not required to submit employment and wage information.

(2) Liability Report and Administrator Information.

A Liabilities Report which shall include:

(A) All claims reported shall be on a fiscal year basis (starting July 1 and ending June 30 of the reporting years), with all claims reported on or before June 30 of each of the five prior fiscal years, showing indemnity and medical payments grouped as incurred liability, paid to date and future liability.

(B) All open claims reported prior to the five years shall also be reported as required in (b)(2)(A), but in a single line entry.

(C) Each Joint Powers Authorities (JPA) shall report the consolidated liabilities of all members of the JPA on one Liabilities Report.

(D) A Liabilities by Reporting Location Report shall be completed in full for each claims adjusting location in addition to the consolidated report totaling liabilities from all locations.

(E) For any Joint Powers Authority, one list of all open indemnity claims may be consolidated into a single listing for the entire JPA, as long as the individual JPA member is identified for each claim.

(3) Claims Information for each year shall meet the requirements of subsection (b), except that no deposit calculation page shall be submitted as required for private self-insurers pursuant to subsection (b)(7).

(4) Aggregate Claims Information. Specify for claims in the current fiscal year and in each of the past five fiscal years, and for claims reported prior to the five years in a single

line entry, aggregate amounts for each of the indicated categories on Form AR-2 showing the number of claims, amount of disability benefits paid, amount of medical costs paid, legal and loss adjustment expenses paid, and estimated future liabilities. Figures must reflect amounts paid and number of claims or vouchers, as specified on Form AR-2, during the reporting year as of the end of the indicated fiscal year of the date of loss for the life of the claim to date of the report. The claims information required by Form AR-2 may be submitted electronically or by hard copy that includes the same data elements required by Form AR-2.

(d) The Chief may, for good cause, require any self-insurer to submit a Self-Insurer's Annual Report covering a six-month interim period, in addition to the annual report specified in subsection (b) and (c) of this section.

(1) For private self-insurers, such interim reports, when required, shall cover the period starting January 1 and ending June 30 of each year and shall be due on September 1 of each year.

(2) Public self-insurer's interim reports shall cover July 1 through December 31 and shall be due on March 1 of each year.

(e) The Chief shall assess the civil penalty set forth in Labor Code Section 3702.9(a) against any self-insurer for failure to file a complete and timely Self-Insurer's Annual Report. Continued failure to file an Annual Report sixty (60) days after assessment of civil penalties pursuant to Section 3702.9(a) shall be good cause for revocation of a certificate to self-insure.

(f) For good cause shown by the self-insurer or its administrative agency, the Chief may grant additional time to a self-insurer to file the report without penalty.

(g) Unless otherwise approved by the Chief, the consolidated liabilities report and reporting location reports (page 3 of the annual report) shall be signed by a competent person, as demonstrated pursuant to Section 15452(b) of these regulations, in the employment of the self-insurer or administrative agency for the self-insurance plan.

(h) The employer's certification on the Self-Insurer's report shall be signed by:

(1) an officer or employee of the self-insurer authorized to sign documents for self-insurance matters; or

(2) an authorized public self-insurer officer or employee; or

(3) an authorized officer or employee of the joint powers authority to which the public agency is a member; or

(4) an authorized officer or employee of the Self-Insurer's Security Fund where the Director has turned over responsibility for an insolvent private self-insurer's claim liability to the Fund pursuant to Labor Code Section 3701.5(c).

Note: Authority cited: Sections 54, 55 and 3702.10, Labor Code. Reference: Sections 59, 129, 3700, 3701.5, 3702.2, 3702.3, 3702.9 and 3702.10, Labor Code; and Sections 1063.1 and 1063.3, Insurance Code.

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## Article 11. Hearing and Appeal Procedures

### §15430. Hearing.

The Director may initiate an investigation or hold a hearing to implement the law and regulations with respect to the following self insurance matters:

(a) Disputes specified in Labor Code section 3701.5(~~g~~)(f) arising between or among a surety, the issuer of an agreement of assumption and guarantee of workers' compensation liabilities, the issuer of a letter of credit, any custodian of the security deposit, a self-insured employer, or the Self-Insurers' Security Fund;

(b) Disputes between any self-insurer and the ~~Manager~~Chief involving action by the ~~Manager~~Chief to involuntarily revoke an existing certificate for cause pursuant to Labor Code section 3702;

(c) Disputes involving action by the ~~Manager~~Chief to revoke or deny issuance of a certificate to administer pursuant to Labor Code sections 3702.1 and 3702.7;

(d) An appeal by a private sector self-insurer concerning the amount of the security deposit to be posted pursuant to Labor Code section 3701(b) or section 15210 of these regulations;

(e) An appeal by any self-insurer concerning any civil penalty assessment made pursuant to Labor Code section 3702.9;

(f) The appeal of an employer alleging its application for a certificate or by an administrator that its application for a certificate to administer has not been processed in a timely manner;

(g) To determine whether good cause exists to revoke any self-insurers' certificate for willful or repeat serious violations of occupational safety and health regulations as noted in Cal/OSHA citations issued by the Division of Occupational Safety and Health;

(h) An appeal by a private self insurer concerning the calculation, posting, or any other aspect of its deposit assessment after payment of the deposit assessment in the time provided to the Security Fund, and;

(i) An appeal by a private self insurer of any civil penalty assessed for failure to pay a deposit assessment to the Security Fund.

Note: Authority cited: Sections 54, 55, 3701.8 and 3702.10, Labor Code. Reference: Sections 59, 3700, 3701, 3701.5, 3701.8, 3702, 3702.1, 3702.5, 3702.6, 3702.7, 3702.9, 3705, and 3740-3747, Labor Code. Sections 11181-11188, 15378, Government Code.

**[Proposed New Form P-1 (1-2019)]**

State of California  
Department of Industrial Relations  
OFFICE OF SELF-INSURANCE PLANS (OSIP)

**SELF-INSURER'S PROFILE AND FINANCIAL SUMMARY REPORT (Form P-1)**

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*Instructions:*

- *Enter financial information from most recent certified, audited financial statement, if available. If unavailable or over three years old, enter amounts from most recent financial statement by independent Certified Public Accountant (CPA). If neither is available, identify source of information (name of document, source, date, name and contact information for preparer or custodian) where indicated.*
- *Terminology used in this report is based on standard industry meaning and usage for Workers' Compensation claims and coverage in the State of California.*
- *Enter N/A where any category is inapplicable in employer's line of business or recordkeeping.*

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**Part A. General.**

1. Self-Insured Employer Name: \_\_\_\_\_

2. OSIP Certificate Number of Self-Insured Employer: \_\_\_\_\_

3. Self-Insured JPA (including OSIP Certificate Number) to which Employer belongs, if any: \_\_\_\_\_

4. Nature of Insurance and Coverage Description (including retention level and coverage cap, if applicable):

\_\_\_\_\_  
\_\_\_\_\_

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**Part B. Employer Profile**

1. Total Annual Operating Expenditures \$ \_\_\_\_\_

a. Are capital expenditures included in the reported total annual operating expenses?

\_\_\_ Yes. Amount of capital expenditures: \$ \_\_\_\_\_

\_\_\_ No.



b. Annual Operating Expenditures for workers' compensation programs alone\*: \$ \_\_\_\_\_

\*Source of Figure \_\_\_\_\_ Current, certified, audited financial statement  
\_\_\_\_\_ Other / specify: \_\_\_\_\_

2. Employer Demographics:

a. Geographic Area of Service:

(1) Description: \_\_\_\_\_

(2) Top five Zip Codes in which largest number of employees work:

\_\_\_\_\_

b. Population of jurisdiction covered (from latest U.S. Census figures): \_\_\_\_\_

3. Workers' Compensation Claims Administrative Staffing Type:

\_\_\_\_\_ Self-Administered \_\_\_\_\_ Third Party Administrator / Name: \_\_\_\_\_

4. Employees:

a. Total number of paid employees \_\_\_\_\_

b. Number of full time-equivalent (FTE) employee positions \_\_\_\_\_

c. Number of Public Safety Employees \_\_\_\_\_

d. Number of Volunteers \_\_\_\_\_

e. Top Five Employee Work Classifications or Job Titles with highest numbers of Workers' Compensation claims in most recent fiscal year: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Educational Employers only [terms have same meaning as in Education Code]:

a. Number of Certificated Employees (FTEs) \_\_\_\_\_

b. Number of Classified Employees (FTEs) \_\_\_\_\_

c. Average Daily Attendance (students) or full time equivalent students \_\_\_\_\_

6. Total Wages and Salaries Paid \$ \_\_\_\_\_

a. Payroll of Public Safety Employees \$ \_\_\_\_\_

b. Were any Public Safety Employee Salary Continuation benefits provided in the most recent fiscal year?

\_\_\_ Yes \_\_\_ No

c. Was any Industrial Disability Leave provided (in lieu of Workers' Compensation temporary disability payments) in the most recent fiscal year?

Yes       No

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### Part C. Annual Financial Summary Report

#### 1. General Information:

a. Employer's Fiscal year: from \_\_\_\_\_ to \_\_\_\_\_

b. Most recent certified, independently audited financial statement:

Date of Report: \_\_\_\_\_ Covers fiscal year ending: \_\_\_\_\_

\_\_\_\_\_ *No certified, independently audited financial statement available. Information for this report (Form P-1) obtained from following source (specify):*

\_\_\_\_\_

c. Does statement exclude portion of Employer's liability because Employer is a member of an insurance pool or group (including a JPA) providing self-insurance, excess insurance or reinsurance covering a portion of the Employer's workers' compensation liabilities?

Yes      Identify group and describe extent of coverage: \_\_\_\_\_

\_\_\_\_\_

No

d. Name and address of certified financial auditor: \_\_\_\_\_

\_\_\_\_\_

e. Were estimated future Workers' Compensation claims liabilities separately identified in the audited financial statement?

Yes       No

(1) Were those Workers' Compensation liabilities estimated by an Actuary?

Yes      Name of actuarial firm: \_\_\_\_\_

Date of actuarial report: \_\_\_\_\_

No      Indicate source (person/firm and records) from which those liabilities were estimated: \_\_\_\_\_

\_\_\_\_\_

(2) Actuarial confidence level (actual or projected) of those estimated future Workers' Compensation claims liabilities:

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(3) Were those estimated future Workers' Compensation claims liabilities discounted?

\_\_\_\_\_ Yes                      Discount rate: \_\_\_\_\_%

\_\_\_\_\_ No

f. Specify whether the estimated future Workers' Compensation claims liabilities include loss adjustment expenses, either allocated to specific claims (ALAE) or unallocated (ULAE)?

(1) Allocated Loss Adjustment Expense (ALAE)

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

(2) Unallocated Loss Adjustment Expense (ULAE)

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

g. Source(s) of funds for Workers' Compensation benefits and claims administration costs:

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(1) Is this fund solely dedicated to Workers' Compensation costs?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No. Specify other activities supported by the fund(s): \_\_\_\_\_

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(2) Are there assets in the fund that are set aside and maintained for Workers' Compensation liabilities?

\_\_\_\_\_ Yes                      \_\_\_\_\_ No

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**Part D. Balance Sheet and Statement of Revenues and Expenses for Workers' Compensation Program**

- *Provide amounts indicated below for employer's Workers' Compensation program only (as distinct from other liability coverages and costs). If amounts are not available from either a financial statement or an actuary report, make a pro rata calculation based on employer's contributions for the Workers' Compensation program or Workers' Compensation claim costs in relation to participation or claim costs for all coverages.*

1. Balance Sheet Information.

a. Source(s) of amounts stated below:

\_\_\_\_\_ Most recent certified, independently audited financial statement

\_\_\_\_\_ Other/specify: \_\_\_\_\_

b. Assets

(1) Cash and investments	\$ _____
(2) Accounts receivable	\$ _____
(3) Amounts due from other funds	\$ _____
(4) Reinsurance/Excess recoveries	\$ _____
(5) Deferred Outflows of Resources related to pensions	\$ _____
(6) Other assets	\$ _____
<b>Total Assets</b>	<b>\$ _____</b>

c. Liabilities

(1) Case reserves	\$ _____
(2) Incurred but not reported claims	\$ _____
(3) Dividends payable	\$ _____
(4) Deferred Inflows of Resources related to pensions	\$ _____
(5) Other liabilities	\$ _____
<b>Total Liabilities</b>	<b>\$ _____</b>

d. Net Position (Fund Balances)

(1) Restricted net position	\$ _____
(2) Designated net position	\$ _____
(3) Unrestricted net position	\$ _____

2. Statement of Revenues and Expenses.

a. Source(s) of amounts stated below:

\_\_\_\_\_ Most recent certified, independently audited financial statement

\_\_\_\_\_ Other/specify: \_\_\_\_\_

b. Income

(1) Contribution from departments	\$ _____
(2) Assessment income	\$ _____

(3) Investment income	\$ _____
(4) Other income	\$ _____
<b>Total Income</b>	\$ _____

c. Expenses

(1) Claims Cost	\$ _____
(2) Excess and Reinsurance Premiums	\$ _____
(3) Medical Cost Containment Program	\$ _____
(4) Risk Control	\$ _____
(5) Dividends	\$ _____
(6) Interfund Transfers	\$ _____
<b>Total Expenses</b>	\$ _____

3. Other Information

a. Net Position, beginning of period: \$ \_\_\_\_\_

b. Net Position, end of period: \$ \_\_\_\_\_

c. Were the contributions in the Statement of Revenues and Expenses from Certified, Independently Audited Financial Statement based upon an actuarial estimate?

\_\_\_\_\_ Yes      \_\_\_\_\_ No

d. Were the contributions based upon expected costs on a cash flow basis or accrual basis?

\_\_\_\_\_ Cash flow basis (non-accrual, pay as you go)

\_\_\_\_\_ Accrual basis / specify expected cost level:

\_\_\_\_\_ Below expected costs      \_\_\_\_\_ At expected costs

\_\_\_\_\_ Above expected costs / specify actuarial confidence level: \_\_\_\_\_%

Form P-1

Completed by: \_\_\_\_\_

Attested to by: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**[Proposed New Form J-1 (1-2019)]**

State of California  
Department of Industrial Relations  
OFFICE OF SELF-INSURANCE PLANS (OSIP)

**JOINT POWERS AUTHORITY (JPA) SELF-INSURER'S PROFILE AND  
FINANCIAL SUMMARY REPORT (Form J-1)**

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*Instructions:*

- *Enter financial information from most recent certified, audited financial statement, if available. If unavailable or over three years old, enter amounts from most recent financial statement by independent Certified Public Accountant (CPA). If neither is available, identify source of information (name of document, source, date, name and contact information for preparer or custodian) where indicated.*
- *Terminology used in this report is based on standard industry meaning and usage for Workers' Compensation claims and coverage in the State of California.*
- *Enter N/A where any category is inapplicable in JPA's line of business or recordkeeping.*

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**Part A. General.**

1. Name of Joint Powers Authority (JPA): \_\_\_\_\_

2. Master Certificate Number of Self-Insured JPA: \_\_\_\_\_

3. Self-Insured Employer Members of JPA [list all, attaching additional pages if necessary]: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

4. Nature of Workers' Compensation Coverage provided to members through JPA: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

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**Part B. Joint Powers Authority Profile**

1. Total Annual Operating Expenditures \$ \_\_\_\_\_

a. Are capital expenditures of the JPA included in the reported total annual operating expenses?

\_\_\_ Yes. Amount of capital expenditures: \$ \_\_\_\_\_

\_\_\_ No.

b. Annual Operating Expenditures for workers' compensation programs alone\*: \$ \_\_\_\_\_

\*Source of Figure \_\_\_\_\_ Current certified, independently audited financial statement

\_\_\_\_\_ Other / specify: \_\_\_\_\_

2. JPA Demographics:

a. Geographic Area of Service:

(1) Description: \_\_\_\_\_

(2) Top five Zip Codes in which largest number of employees work:

\_\_\_\_\_

b. Population of jurisdiction covered (from latest U.S. Census figures): \_\_\_\_\_

3. Workers' Compensation Claims Administrative Staffing Type:

\_\_\_ Self-Administered \_\_\_ Third Party Administrator / Name: \_\_\_\_\_

4. Employees of JPA: \_\_\_\_\_

5. Employees of JPA member agencies:

a. Total number of employees \_\_\_\_\_

b. Number of full time-equivalent (FTE) employees \_\_\_\_\_

c. Number of Public Safety Employees \_\_\_\_\_

d. Number of Volunteers \_\_\_\_\_

e. Top Five Employee Work Classifications or Job Titles with highest numbers of Workers' Compensation claims in most recent fiscal year: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

6. Educational JPA Members only [terms have same meaning as in Education Code]:

a. Number of Certificated Employees (FTEs) \_\_\_\_\_

b. Number of Classified Employees (FTEs) \_\_\_\_\_

c. Average Daily Attendance (students) or full time equivalent students \_\_\_\_\_

7. Total Wages and Salaries (including benefits) Paid \$ \_\_\_\_\_

a. Payroll of Public Safety Employees \$ \_\_\_\_\_

b. Were any Public Safety Employee Salary Continuation benefits provided in the most recent fiscal year?

\_\_\_ Yes \_\_\_ No

c. Was any Industrial Disability Leave provided (in lieu of Workers' Compensation temporary disability payments) in the most recent fiscal year?

\_\_\_ Yes \_\_\_ No

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### Part C. Annual Financial Summary – Consolidated Report

#### 1. General Information for Reporting JPA:

a. Employer's Fiscal year: from \_\_\_\_\_ to \_\_\_\_\_

b. Most recent certified, independently audited financial statement:

Date of Report: \_\_\_\_\_ Covers fiscal year ending: \_\_\_\_\_

\_\_\_\_\_ *No certified, independently audited financial statement available. Information for this report (Form P-1) obtained from following source (specify):*

\_\_\_\_\_

c. Excluded Members:

(1) Does the financial statement exclude amounts for any JPA member for any reason?

\_\_\_ Yes Name of Member(s) and reason(s) for exclusion: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_ No

(2) If any excluded members participate in an insurance group or pool providing self-insurance, excess insurance or reinsurance covering a portion of the member's Workers' Compensation liabilities, identify the group and describe the extent of coverage for each such member.

\_\_\_\_\_

\_\_\_\_\_

d. Name and address of certified financial auditor: \_\_\_\_\_

\_\_\_\_\_



e. Were estimated future Workers' Compensation claims liabilities separately identified in the audited financial statement?

\_\_\_\_\_ Yes      \_\_\_\_\_ No

(1) Were those Workers' Compensation liabilities estimated by an Actuary?

\_\_\_\_\_ Yes      Name of actuarial firm: \_\_\_\_\_

Date of actuarial report: \_\_\_\_\_

\_\_\_\_\_ No      Indicate source (person/firm and records) from which those liabilities were estimated: \_\_\_\_\_

(2) Actuarial confidence level (actual or projected) of those estimated future Workers' Compensation claims liabilities:

\_\_\_\_\_

(3) Were those estimated future Workers' Compensation claims liabilities discounted?

\_\_\_\_\_ Yes      Discount rate: \_\_\_\_\_ %

\_\_\_\_\_ No

f. Specify whether the estimated future Workers' Compensation claims liabilities include loss adjustment expenses, either allocated to specific claims (ALAE) or unallocated (ULAE)?

(1) Allocated Loss Adjustment Expense (ALAE)

\_\_\_\_\_ Yes      \_\_\_\_\_ No

(2) Unallocated Loss Adjustment Expense (ULAE)

\_\_\_\_\_ Yes      \_\_\_\_\_ No

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#### **Part D. Balance Sheet and Statement of Revenues and Expenses for Workers' Compensation Program – Consolidated Report**

- *Provide amounts indicated below for JPA's Workers' Compensation program only (as distinct from other programs or coverages the JPA may provide). If amounts are not available from either a financial statement or an actuary report, make a pro rata calculation based on JPA member contributions to the Workers' Compensation program or Workers' Compensation claim costs in relation to participation or claim costs for all JPA programs.*

1. Balance Sheet Information.

a. Source(s) of amounts stated below:

\_\_\_\_\_ Most recent certified, independently audited financial statement

\_\_\_\_\_ Other/specify: \_\_\_\_\_

b. Assets

(1) Cash and investments	\$ _____
(2) Accounts receivable	\$ _____
(3) Amounts due from other funds	\$ _____
(4) Reinsurance/Excess recoveries	\$ _____
(5) Deferred Outflows of Resources related to pensions	\$ _____
(6) Other assets	\$ _____
<b>Total Assets</b>	<b>\$ _____</b>

c. Liabilities

(1) Case reserves	\$ _____
(2) Incurred but not reported claims	\$ _____
(3) Dividends payable	\$ _____
(4) Deferred Inflows of Resources related to pensions	\$ _____
(5) Other liabilities	\$ _____
<b>Total Liabilities</b>	<b>\$ _____</b>

d. Net Position (Fund Balances)

(1) Restricted net position	\$ _____
(2) Designated net position	\$ _____
(3) Unrestricted net position	\$ _____

2. Statement of Revenues and Expenses.

a. Source(s) of amounts stated below:

\_\_\_\_\_ Most recent certified, independently audited financial statement

\_\_\_\_\_ Other/specify: \_\_\_\_\_

b. Income

(1) Contributions from JPA members	\$ _____
(2) Assessment income	\$ _____
(3) Investment income	\$ _____

(4) Other income \$ \_\_\_\_\_

**Total Income** \$ \_\_\_\_\_

c. Expenses

(1) Claims Cost \$ \_\_\_\_\_

(2) Excess and Reinsurance Premiums \$ \_\_\_\_\_

(3) Medical Cost Containment Program \$ \_\_\_\_\_

(4) Risk Control \$ \_\_\_\_\_

(5) Dividends \$ \_\_\_\_\_

(6) Interfund Transfers \$ \_\_\_\_\_

(7) Other Expenses \$ \_\_\_\_\_

**Total Expenses** \$ \_\_\_\_\_

3. Other Information

a. Net Position, beginning of period: \$ \_\_\_\_\_

b. Net Position, end of period: \$ \_\_\_\_\_

c. Were the contributions in the Statement of Revenues and Expenses from Certified, Independently Audited Financial Statement based upon an actuarial estimate?

\_\_\_\_\_ Yes      \_\_\_\_\_ No

d. Were the contributions based upon expected costs on a cash flow basis or accrual basis?

\_\_\_\_\_ Cash flow basis (non-accrual, pay as you go)

\_\_\_\_\_ Accrual basis / specify expected cost level:

\_\_\_\_\_ Below expected costs      \_\_\_\_\_ At expected costs

\_\_\_\_\_ Above expected costs / specify actuarial confidence level: \_\_\_\_\_%

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Form J-1

Completed by: \_\_\_\_\_

Attested to by: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_