

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.

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§ 15203.11. Continuing Financial Capacity for Public Self-Insurers.

(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 (1-2020) or in a similar format that includes the same data elements as Form P-1.

(1) This requirement applies only to individual public self-insurers that operate all or part of their program on a standalone basis pursuant to an active or revoked master Certificate of Consent to Self-Insure.

(2) A public self-insurer that operates part of its program on a standalone basis and provides coverage for other claims through membership in a joint powers authority, as described in subsection (b), shall limit the information specified in Part C, section 2, and Part D of Form P-1 to the part of its program operated on a standalone basis.

(b) Any joint powers authority that 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 provided to its members, and a summary of the financial condition of its workers' compensation program on Form J-1 (1-2020) 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.

(1) The demographic information specified in Part B of Form J-1 shall be limited to the active affiliate members of the joint powers authority.

(2) Each active affiliate member shall cooperate with the joint powers authority by ascertaining the Part B demographic information for its own agency and providing that information to the authority. Except as specified in subsection (a), an affiliate member shall not be required to prepare or submit a separate Form P-1 report.

(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 *master* 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 *master* certificate holder's most recent financial statement by an independent Certified Public Accountant (CPA). If neither is available, the *master* 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.

(e) An Appendix of terms used in Public Self-Insurer Report Forms P-1, J-1, and AR-2 follows this section.

Note: Authority cited: Sections 54, 55 and 3702.10, Labor Code. Reference: Section 3702.2, Labor Code.

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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~~rev. 1-2020) 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, as specified on the Aggregate Claims Information portion of 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.

(5) 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. An Appendix of terms used in Public Self-Insurer Report Forms P-1, J-1, and AR-2 follows section 15203.11.

(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.

* * *

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.

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

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.*

Part A. General.

1. Self-Insured Employer Name: _____

2. OSIP Certificate Number of Self-Insured Employer: _____

Check if certificate is revoked.

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

4. Nature of Insurance: Primary Excess

Coverage Description (including retention level and coverage cap, if applicable):

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) WCIRB Geographic Study Region(s): _____
[https://www.wcirb.com/sites/default/files/documents/2018_wcirb_geo_study.pdf]

b. Estimated population of jurisdiction covered (latest U.S. Census figures):

3. Workers' Compensation Claims Administrative Staffing Type: [Check both if applicable and provide cumulative totals only in Part D below.]

Self-Administered

Third Party Administrator / Name(s): _____

4. Employees:

a. Total number of paid employees: _____

b. Number of full time-equivalent (FTE) paid employee positions: _____

c. Number of Public Safety Employees (Labor Code §§ 4800 et seq.): _____

d. (1) Total number of Volunteers: _____

(2) Number for whom employer provides elective coverage: _____

e. Estimated number of persons entitled to coverage when performing court-ordered community service, services in exchange for public benefits, or similar reasons: _____

f. 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

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: _____

2. Workers' Compensation Program:

a. 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

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

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	\$ _____
Total Liabilities	\$ _____

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	\$ _____
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	\$ _____
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: _____%

Form P-1

Completed by: _____

Attested to by: _____

Title: _____

Title: _____

Date: _____

Date: _____

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

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.*

Part A. General.

1. Name of Joint Powers Authority (JPA): _____

2. Master Certificate Number of Self-Insured JPA: _____

Check if certificate is revoked.

3. Active Self-Insured Affiliate Members of JPA [list all, attaching additional pages if necessary]:

4. Former Affiliate Members with tail claims for which JPA has continuing responsibility [list all, attaching additional pages if necessary]:

5. Nature of Workers' Compensation Coverage provided to members through JPA:

Primary Excess

Coverage Description (including retention level and coverage cap, if applicable): _____

Part B. Joint Powers Authority Profile

- *Unless otherwise indicated, provide member information only for active affiliates in this Part.*

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) WCIRB Geographic Study Region(s): _____
[https://www.wcirb.com/sites/default/files/documents/2018_wcirb_geo_study.pdf]

b. Estimated population of jurisdictions covered (latest U.S. Census figures):

3. Workers' Compensation Claims Administrative Staffing Type: Check both if applicable and provide cumulative totals only in Part D below.

Self-Administered

Third Party Administrator / Name(s): _____

4. Number of Employees of JPA: _____

5. Employees of JPA member agencies:

a. Total number of paid employees _____

b. Number of full time-equivalent (FTE) paid employee positions _____

c. Number of Public Safety Employees (Labor Code §§ 4800 et seq.) _____

d. (1) Total number of Volunteers: _____

(2) Number for whom employer(s) provides elective coverage: _____

e. Estimated number of persons entitled to coverage when performing court-ordered community service, services in exchange for public benefits, or similar reasons: _____

f. 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

Part C. Annual Financial Summary – Consolidated Report

1. General Information for Reporting JPA:

a. JPA'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 J-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: _____

2. Workers' Compensation Program:

a. 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

b. 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

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	\$ _____
Total Assets	\$ _____

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	\$ _____
Total Liabilities	\$ _____

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: _____%

Form J-1

Completed by: _____

Attested to by: _____

Title: _____

Title: _____

Date: _____

Date: _____

A P P E N D I X

Terms used in Public Self-Insurer Report Forms P-1 and J-1 (§ 15203.11) and AR-2 (§ 15251(c))

The definitions in section 15201 of the Self-Insurance Plan regulations (Title 8, California Code of Regulations § 15201) apply to the terms used in these reporting forms. All terms shall be construed in a manner that is consistent with their usage in Division 4 (commencing with Section 3700) of the Labor Code and Chapters 1 (commencing with section 1), 4.5 (commencing with section 9700), and Subchapter 2 of Chapter 8 (commencing with section 15201) of Division 1 of Title 8 of the California Code of Regulations, including any definitive construction of a term by the Workers' Compensation Appeals Board or a court. However, if there is a conflict between a definition in section 15201 and a definition of the same terms found in another Title 8 regulation, the definition in section 15201 shall apply.

Terms that are not defined by statute or regulation should be understood as having the same meaning commonly understood and used by workers' compensation program administrators in the state of California. A good faith error or discrepancy in how reportable information is characterized for purposes of one of these reports shall not be treated as a reporting violation under Labor Code Sections 3702.3 or 3702.9.

The following additional guidance is provided for specific report terms.

Allocated Loss Adjustment Expense or **ALAE** means claim administration costs and expenses that are allocated to individual workers' compensation claims, including but not limited to medical cost containment expenses.

Catastrophic claim means a claim for workers' compensation based on a severe injury to the brain or spinal cord, loss of a limb, paralysis, severe burn or severe head injury, and includes any injury that would result in a conclusive presumption of total disability under Labor Code Section 4662(a).

Certificated employee has the same meaning used in the Education Code and refers to an employee in an academic, supervisory, or administrative position with a school or school district, community college or community college district, or state university who is required to hold a credential or similar certificate as a condition of employment.

Classified employee has the same meaning used in the Education Code and refers to an employee of a school or school district, community college or community college district, or state university who is not a certificated employee.

Diagnostics refers to medically-prescribed tests used to determine a diagnosis, the cause of symptoms, the nature or severity, or course of treatment for an illness or injury. It includes but is not limited to imaging and laboratory tests.

Full-Time Equivalent or **FTE** refers to the ratio of the total number of paid hours for all employees, whether full or part-time, divided by the number of hours in the employer's regular full-time work week. If the employer has a regular work week of 40 hours and 10 employees working a total of 200 hours during a regular work week, the full-time equivalent or FTE would be 5. ($200 \div 40 = 5$).

Industrial Disability Leave claims and benefits refers to salary-based payments made to public employees in lieu of workers' compensation temporary indemnity benefits pursuant to Education Code Section 45192, Education Code Section 89529.03, Government Code Section 19871, or equivalent statutes or employer policies governing compensated absences for job-related illnesses or injuries, insofar as those payments are categorized separately from other types of indemnity payments. For reporting purposes, Industrial Disability Leave claims and benefits *do not include* salary continuation benefits provided to Public Safety Employees pursuant to Articles 6 and 7 (commencing with Sections 4800 and 4850 respectively) of Chapter 2 of Part 2 of Division 4 of the Labor Code, even if designated Industrial Disability Leave by the

employer. Those payments instead should be reported as Public Safety Employee claims and benefits.

Public Safety Employee means an employee of a fire department, police or sheriff's department, or other public protection or public safety agency who is entitled to receive salary continuation benefits in lieu of workers' compensation benefits pursuant to one or more statute within Articles 6 and 7 (commencing with Sections 4800 and 4850 respectively) of Chapter 2 of Part 2 of Division 4 of the Labor Code. For reporting purposes, employees of the California State University Police Department who are entitled to enhanced Industrial Disability Leave benefits pursuant to Labor Code Section 4816, shall be counted as "public safety employees," including for public safety employee payroll purposes, and their claims and benefits payments should be reported as public safety employee claims and benefits payments, even if designated by the employer as Industrial Disability Leave claims and benefits payments.

Surgery refers to payments made to surgeons, assistant surgeons, anesthesiologists, and other medical personnel for surgical services that are billed and paid for separately from facility costs. It does *not* include hospital and facility expenses.

Unallocated Loss Adjustment Expense or ULAE means claim administration costs and expenses that are not allocated to individual workers' compensation claims.

Volunteer means a person who provides volunteer services for the employer and includes persons for whom the employer has elected to provide workers' compensation coverage pursuant to Labor Code Section 3361.5, 3363.5, 3364, 3364.5, 3364.55, 3364.6, 3364.7, or equivalent statutes. The number of persons, if any, who are *neither* employees or volunteers, but for whom the employer is required to provide workers' compensation when participating in court-ordered community service, work for relief, or similar reasons should be estimated separately and entered on the line provided for that purpose in the Profile section (Part B) of the P-1 and J-1 forms.

1	Form AR-2 Addendum -- Aggregate Claims Information <i>[Proposed Data Fields for Online Submission]</i>							
2			INJURY DATES					
3			FY 19-20	FY 18-19	FY 17-18	FY 16-17	FY 15-16	Years prior to FY 15-16
4	Number of New Notices of Representation Received in FY							
5	Total number of open claims in each category as of the end of the reporting period. (Individual claims that fit into more than one category should be included in the count for each category that applies.)							
6		Indemnity Claims						
7		Medical-Only Claims						
8		Future Medical Claims						
9		Public Safety Employee Benefit Claims						
10		Industrial Disability Leave Claims						
11		Catastrophic Claims						
12		Fatality Claims						
13	Aggregate amount of benefits paid for each disability category							
		Temporary Disability Benefits Paid (\$ amount)						
14		Number of Claims where TD benefits were provided						
15		Public Safety Employee Benefits Paid (\$ amount)						
16		Number of Claims where Public Safety Employees received salary continuation benefits						
17		Industrial Disability Leave Benefits Paid (\$ amount)						
18		Number of claims where Industrial Disability Leave benefits were provided						
19		Permanent Disability Benefits Paid (\$ paid in permanent total and permanent partial disability)						
20		Number of Claims where PD benefits were paid						
21		Supplemental Job Displacement Benefits Voucher paid (\$ amount)						
22		Number of Claims where SJDBV was issued						
23		Death Benefits Paid, including burial costs (\$ amount)						
24		Number of Claims where death benefits were provided						
25	Aggregate amount of Medical Costs paid for each category							
26		Interpreters (\$ amount)						
27		Physician Visits (\$ amount)						
28		In-Patient Hospital (\$ amount)						
29		Out-Patient Hospital and Ambulatory Surgery Center (\$ amount)						
30		Diagnostics (\$ amount)						
31		DME supplies (\$ amount)						
32		Physical Therapy (\$ amount)						
33		Pharmaceutical (\$ amount)						
34		Surgery (\$ amount)						
35		In Home Support (\$ amount)						
36		Medical-Legal (\$ amount)						
37		All other Medical Costs not included above (\$ amount)						
38	Aggregate amount of Legal and Loss Adjustment Expenses for each category							
39		Attorney Fees and Legal Costs (\$ amount)						
40		Photocopy Fees (\$ amount)						
41		Interpreter's Fees (\$ amount)						
42		Medical Cost Containment Fees - total (\$ amount)						
44		Bill Review, including IBR - total (\$ amount)						
45		Utilization Review (\$ amount)						
46		Independent Medical Review (\$ amount)						
47		Uncategorized Legal and Loss expenses or any other Legal and Loss Expenses not included above (\$ amount)						
48	Estimated Future Liabilities: (Estimate of total incurred costs, less paid) - OPEN CLAIMS ONLY							
49		Temporary Disability (\$ amount)						
50		Permanent Disability (\$ amount)						
51		Public Safety Employee Benefits (\$ amount)						
52		Industrial Disability Leave Benefits (\$ amount)						
53		Supplemental Job Displacement Benefits Voucher (\$ amount)						
54		Death Benefits (\$ amount)						
55		Medical Costs (\$ amount)						