



## OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

December 19, 2008

To: Licensed Third Party Administrators

Re: **Annual Statement Filing Instructions**

Dear Sir/Madam:

As a licensed TPA, our regulations require you to file an annual statement and notice of major change in the organization by **March 1**. **Upon submission of your renewal, please include Employer's Identification Number (EIN) and a current email address.** Specifically the Regulation, Section 120-2-49-.11 stipulates:

(1) Each authorized administrator shall file with the Commissioner a full and true statement of its financial condition, transactions, and affairs (an audited financial statement, prepared by a licensed certified public accountant, is preferable to the financial statement (**GID 56**) form previously provided in your application packet). The statement shall be filed annually on or before **March 1** or within such extension of time therefore as the Commissioner for good cause may have granted and shall be for the preceding calendar year (**extension only granted in extreme circumstances and by prior approval**). The statement shall be in such form and contain such matters as the department prescribes and shall be verified by at least two officers of such administrator.

(2) At the time of filing its annual statement, the administrator shall pay a filing fee as provided in O.C.G.A. §33-8-1. **The fee is \$400.00.**

(3) The annual report shall include the complete names, addresses, N.A.I.C. Company and N.A.I.C. group number of all insurers with which the administrator had an agreement during the preceding fiscal year, and the complete names and addresses of all self-insurers where such agreement existed during the preceding fiscal year.

- a. The company must prepare a complete record of premiums and/or claims recorded for **each** of the insurers to which it provides TPA services.
- b. Any substantial change in the scope of services rendered by the administrator for the insurer must be documented and submitted.

(4) In addition, the administrator shall immediately notify the Commissioner of any material change in its ownership or principal officers.

- a. Change of ownership or principals, requires a new biographical statement and affidavit (**GID 52**), release of information (**GID 53**) and an investigative report (**included in the report must be a past 10-year history verifying the residences in which the individual in question has**

**lived, any local, state and federal court findings related to the individual in question and a credit report of the individual in question)** for each individual changed in the organization.

- b. Change of ownership or principals require filing a revised organization chart including job descriptions.
- c. If bylaws and/or articles of incorporation are modified, new certified copies of documents are required.

(5) Pursuant to Georgia Regulation 120-2-49-.13, each administrator shall file with the Commissioner of Insurance a certification executed by an authorized officer of the administrator wherein it is stated that to the best of his knowledge, information and belief, the advertisements disseminated by the administrator during the preceding calendar year complied, or were made to comply in all respects, with the advertising regulations of this state (**must be notarized**).

- (6) a. Pursuant to Georgia Regulation 120-2-49-.07(1), every administrator shall file with the Commissioner a fidelity bond (**the bond must include the Georgia Insurance Commissioner name and address as the certificate holder, with a 30 day written notice of cancellation and be in a minimum amount of \$100,000**). Proof of coverage must include a complete copy of the bond, including any and all related endorsements.
- b. Pursuant to Georgia Regulation 120-2-49-.07(4), each administrator shall file with the Commissioner an errors and omissions policy (**the policy must include the Georgia Insurance Commissioner name and address as the certificate holder, with a 60 day written notice of cancellation and be in a minimum amount of \$100,000**). Proof of coverage must include a complete copy of the policy, including any and all related endorsements.

Please note that, in accordance with the legislation, TPA licenses are to be effective from July 1 to June 30. **ALL TPA licenses will expire June 30, 2009**. Therefore, all materials (Items 1-6) must be received **no later than March 1, 2009**. Extensions for certain filing materials may be granted but requesting an extension does not guarantee that an extension will be granted. In any case only one extension will be considered.

For your convenience all forms may be accessed through the Department's website. The address is: <http://www.gainsurance.org/Non-Traditional%20Entities/Home.aspx>. If you do not have access to the internet please contact the undersigned no later than February 6, 2009.

Please call me at 404-656-7556 if you have any questions.

Sincerely,



Tammy L. Brewster  
Financial Analyst  
Enforcement Division