# Requirements

**Applies to all admitted A&H Insurers/Reinsurers with Workers’ Compensation Exposures**

1. **Notice to Commissioner:**

Pursuant to California Insurance Code Section ("CICS") 11691(b): Each insurer or reinsurer desiring to have the ability to reinsure the injury, disablement, or death portions of policies of workers’ compensation under the class of disability insurance shall provide prior notice to the commissioner, in the manner and form prescribed by the commissioner of its intent to reinsure that insurance (Form 151). In the event of late notice, a late filing fee shall be imposed on the reinsurer pursuant to CICS 924 for failure to notify the commissioner of its intent to reinsure workers’ compensation insurance.

1. **Workers’ Compensation Deposit Requirement:**

Every insurer desiring admission for workers’ compensation insurance or desiring to reinsure the injury, disablement, or death portions of policies of workers’ compensation insurance, under the class of disability insurance, is required as a prerequisite, to maintain on file in the Office of the Insurance Commissioner a workers’ compensation deposit pursuant to CICS 11691 as amended (effective January 1, 2003). The deposit shall be for the purpose of paying compensable workers’ compensation claims under policies issued by the insurer or reinsured by the reinsurer and expenses as provided in CICS 11698.02, in the event the insurer or reinsurer fails to pay those claims when they come due.

Pursuant to CICS 11692.5, a late filing fee will be assessed for failure to deposit the required Statutory Workers' Compensation Deposit Requirement.

The foregoing should not be construed to alter or affect the deposit obligations of former self-insured employers as required by Section 3702 of the Labor Code.

1. **Published List of Insurers or Reinsurers Authorized to Reinsure the Injury, Disablement, or Death Portions of Workers’ Compensation Policies, pursuant to CICS 11691.3:**

The commissioner shall establish a list of all insurers or reinsurers authorized to reinsure the injury, disablement, or death portions of policies of workers’ compensation insurance under the class of disability insurance. The commissioner shall publish a master list of those insurers or reinsurers at least semiannually. Any insurer or reinsurer providing the notification and deposit required by CICS 11691, shall be added by addendum to the list at the time of approval, and shall be incorporated into the master list at the next date of publication. The list and addenda required by this section shall also contain a notice that if an insurer enters into a contract of reinsurance with an insurer or reinsurer reinsuring the injury, disablement, or death portions of policies of workers’ compensation insurance under the class of disability insurance that is not authorized pursuant to this section, the ceding insurer may not be able to claim that reinsurance for reserve credit.

1. **Required Reports to be Filed:**

CICS 11691 require the following workers’ compensation reports to be filed by life insurers reinsuring the injury, disablement or death portion of policies of workers’ compensation insurance under the class of disability insurance.

The report must be in the same format as the following Schedules, Exhibits and Parts of the Property and Casualty Statutory Annual Statement:

1. Underwriting and Investment Exhibit, Part 1 – Premiums Earned
2. Underwriting and Investment Exhibit, Part 1B – Premiums Written
3. Underwriting and Investment Exhibit, Part 2 – Losses Paid and Incurred
4. Underwriting and Investment Exhibit, Part 2A – Unpaid Losses and Loss Adjustment Expenses
5. Schedule F- Parts 1 – 4 Assumed and Ceded Reinsurance as of December 31 of the preceding year
6. Schedule P – Part 1D, Part 2D, Part 3D, Part 4D, Part 5D, and Part 6D
7. Special California Schedule P – Part I through Part VII
8. Form A-110 – Valuation of all Securities on Workers' Compensation Deposit with the State of California

Failure to file the required documents may result in the insurer or reinsurer to be taken off the Published List.

# Instructions

1. **Filing the Notice Pursuant to California Insurance Code Section (“CICS”) 11691(b):**

If you are required to file the Notice pursuant to CICS 11691(b), please e-mail the Notice along with a complete Form A110 Valuation of Securities to [FADWC@insurance.ca.gov](mailto:FADWC@insurance.ca.gov).

1. **If your company has previously filed a Notice (FAD 151 / Form 151) and is published on the** [**List of Insurers or Reinsurers Authorized to Reinsure the Injury, Disablement, or Death Portions of Workers' Compensation Policies**](https://www.insurance.ca.gov/0400-news/0200-studies-reports/1300-workers-compensation/index.cfm)**, the company is NOT required to file a Notice going forward.**
2. **Removing Company from the Published List:**

To remove your company from the published List of Insurers or Reinsurers Authorized to Reinsure the Injury, Disablement, or Death Portions of Workers' Compensation Policies, please submit a formal notice/request explaining the reason your company should be taken off the list. Our financial analyst may contact you for additional information when they review the request. Once the review is completed, your company may be removed from the list. Please be advised that the updated list will be reflected at the next date of publication, which occurs semiannually, pursuant to CICS 11691.3.

If your company is taken off the List of Insurers or Reinsurers Authorized to Reinsure the Injury, Disablement, or Death Portions of Workers' Compensation Policies, your company will no longer be authorized, pursuant to CICS 11691.3, to reinsure the injury, disablement, or death portions of policies of workers' compensation insurance under the class of disability insurance and thus, the ceding insurer may not claim that reinsurance for reserve credit.

For questions concerning the completion of this form, please contact the Workers' Compensation Deposit Review Facilitator at [FADWC@insurance.ca.gov](mailto:FADWC@insurance.ca.gov).

# Form 151

Date:

To: California Department of Insurance

Financial Analysis Division

300 S. Spring St., South Tower

Los Angeles, CA 90013

[FADWC@insurance.ca.gov](mailto:FADWC@insurance.ca.gov)

Subject: Notice pursuant to California Insurance Code Section (CICS) 11691(b) (deposit and reporting requirements for insurers reinsuring injury, disablement or death portions of Workers’ Compensation Insurance)

Pursuant to the notice requirements of CICS 11691(b), please be advised that the insurer identified below intends to reinsure under the class of disability insurance, the injury disablement, or death portions of policies of workers’ compensation insurance written subject to the workers’ compensation laws of California.

|  | Enter Information Below: |
| --- | --- |
| NAIC Number: |  |
| Mailing Address Line 1: |  |
| Mailing Address Line 2: |  |
| Contact Person: |  |
| Position: |  |
| Telephone Number: |  |
| Email Address: |  |

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| I certify that deposits in the amount of $ |  | (valuation as of |  | ), |

have been made in California in accordance with the requirements of CICS 11691(a). Attached is the complete Form A110, Valuation of Securities, to support that the required statutory workers’ compensation deposit is in place.

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|  |  |  |
| (Official Company Representative Signature) |  | Print Name |
|  |  |  |
|  |  | Title |