

RULE 099.29

DESIGNATED CLAIM OFFICE / ADMINISTRATOR / UNDERWRITER

1. Carrier / Self-Insurer Responsibilities

Each insurance carrier or approved self-insurer shall:

A. Designate to the Commission in the form and manner prescribed by the Commission:

i. A Claim Office which shall:

- (1) Be approved by the Commission to handle Arkansas workers' compensation claims. Should the claim office be that of a third party administrator (hereafter TPA), the TPA shall also be approved, as well as the claim office location;
- (2) Be responsible to the Commission for the receiving, processing, adjusting, and submission of forms, or otherwise handling of any Arkansas workers' compensation claim.

A carrier or self-insurer may not utilize the services of any claim office until that office has been approved by the Commission.

Should an insurance carrier's designated claim office be a TPA, it shall be the responsibility of the carrier to provide the designated TPA an information system whereby that TPA can make immediate referrals to any other claim facility servicing accounts for the carrier.

ii. An "Administrator" who shall:

- (1) Be an employee of the carrier, self-insurer, or of the carrier's or self-insurer's parent company;
- (2) Serve as the Commission's contact person and have sufficient authority to take action and/or implement procedural changes to maintain compliance with:
 - (a) Arkansas law;
 - (b) Commission Rules and/or Commission Advisories;
 - (c) Any order of an Administrative Law Judge, the Full Commission, Arkansas Court of Appeals, and/or the Arkansas

- Supreme Court;
- (d) Any other workers' compensation matter.

(3) Be someone other than the designated claim office contact person. Exceptions to this may be allowed, subject to approval by the Commission on a case-by-case basis.

iii. An underwriting "Contact Person" (applies to carriers only). This person shall be the contact point for insurance policy questions regarding coverage, such as, but not limited to: policy numbers, entities covered, coverage dates.

- b. Be responsible to the Commission for the actions, or inactions, of the designated claim office or any other office in which claims are being handled;
- c. Work promptly and cooperatively with the Commission to resolve any questions, issues, requests, or complaints;
- d. Maintain current information for the claim office location, Administrator, and Underwriter information.

2. Designated Claim Office Responsibilities

The designated claim office, regardless of the location at which any specific claim is adjusted, shall:

- a. Serve as the sole contact point for the Commission regarding claim specific issues;
- b. Have a designated Claims Officer with sufficient knowledge and authority to answer inquiries from the Commission;
- c. Be able to access claim information for all Arkansas claims for the carrier/self-insurer whether adjusted within that office or adjusted by another claim office or company;
- d. Be the office responsible to the Commission for the proper filing of all Commission forms for the carrier/self-insurer;
- e. Work promptly and cooperatively with the Commission to resolve any questions, issues, requests, or complaints.

3. Commission Approval of Claim Office

The Commission retains the right to approve or deny a particular claim office from serving or being selected as the designated claim office.

- a. Claim Office Approval - In approving a designated claim office, the Commission may require submission of evidence demonstrating knowledge, experience and/or licensing of adjusters to satisfy the Commission of the claim office's ability to handle Arkansas workers' compensation claims.
- b. Claim Office Probation - The Commission may place a specific claim office on "probation" in the event of improper completion of forms, failure to file forms or notices with the Commission in a timely manner, failure to respond to Commission requests for information or additional documentation, and/or on any other grounds that prevent the timely, efficient, accurate handling of workers' compensation claims.

Any claim office placed on probation shall be given notice indicating the reason(s) for probation and establishing the terms and conditions by which probation may be removed.

- c. Claim Office Approval Revocation - The Commission may immediately revoke approval for any claim office to handle Arkansas workers' compensation claims for any carrier or self-insured employer. If approval is revoked:
 - i. Notice shall be sent to the claim office providing at least thirty (30) days notice to cease operations involving the handling of Arkansas workers' compensation claims at that location.
 - ii. Notice shall be sent to any carrier or self-insured employer for which that claim office handles Arkansas workers' compensation claims indicating that claim office's approval to handle claims has been revoked and providing the carrier or self-insured at least thirty (30) days in which to secure the services of, and designate to the Commission, another claim office.

(Revised October 5, 2007; effective date January 1, 2008.)