

SIGFA Survey of State Self-Insurance Guaranty Funds

Response for: Oklahoma

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2 **What is the total future value of claims currently covered by self-insurance, including case reserves and IBNR if known?**

Answer
Less Than \$10 million dollars
\$10,000,000 to \$25,000,000
\$25,000,001 to \$50,000,000
\$50,000,001 to \$100,000,000
<input checked="" type="checkbox"/> Greater Than \$100,000,000

3 **Are self-insured employers/funds required to actuarially calculate their WC liabilities and report that figure to the state?**

Answer
Yes
<input checked="" type="checkbox"/> No

Comment: Periodically self insured's are required to provide actuarial estimates, but it is not a annual requirement.

4 **If self-insured employers/funds are required to actuarially calculate their WC liabilities and report that figure to the state... How often are they required to report?**

Answer
At Least Annually
Every 2 Years
<input checked="" type="checkbox"/> Less Frequently Than Every 2 Years
Other

- 5 How many individually self-insured employers defaulted on their claims obligations since Jan 1, 2009?

Answer
None
1
2
3
4
<input checked="" type="checkbox"/> 5 or more

Comment: 6 total.

- 6 Describe the structure of how your state regulates self-insurance and covers the administration of claims of defaulting employers (e.g. a single state entity that does both, combination of state agency and private fund, etc.)

Oklahoma Workers' Compensation Court regulates self-insurance, and handles the proceeds of letters of credit and surety bonds in the event of a default. Oklahoma Self Insurers Guaranty fund handles claims once letter of credit or bond proceeds are exhausted.

- 7 Are individually self-insured employers required to carry specific excess insurance?

Answer
<input checked="" type="checkbox"/> Yes
No

- 8 If individually self-insured employers are required to carry specific excess insurance, what is the maximum amount of loss permitted to be retained by the self-insured employer before the specific excess insurance carrier begins paying?

Answer
\$250,000 or Less
\$250,001 to \$500,000
\$500,001 to \$1,000,000
\$1,000,001 to \$2,500,000
\$2,500,001 to \$5,000,000
More Than \$5,000,000
<input checked="" type="checkbox"/> Other: see below

Comment: No maximum amount set by statute. Amount is approved on a case by case basis.

- 9 If specific excess insurance is required, is it required to provide full statutory coverage once the self-insured retention point has been breached?

Answer
Specific Excess Insurance Is Not Required
Specific Excess Is Required To Pay Full Statutory Coverage
<input checked="" type="checkbox"/> Specific Excess Is Not Required To Pay Full Statutory Coverage
Other

Comment: Determined on a case by case basis.

- 10 How does the amount of loss permitted to be carried by the self-insured employer, through either a high or low self-insured retention, impact the amount of required security?

It has no effect.

- 11 Are the carriers who provide the excess insurance required to be an admitted carrier?

Answer
<input checked="" type="checkbox"/> Yes
No

- 12 Are carriers who provide excess insurance required to possess a minimum AM Best rating?

Answer
<input checked="" type="checkbox"/> No
Yes, At Least A+ (Superior)
Yes, At Least A- (Excellent)
Yes, At Least B+ (Good)
Yes, B, B- (Fair)
Other

13 Does the state have access to financial statements of the individual self-insured employer?

Answer

Yes

No

14 Does the state monitor the credit strength of individual self-insured employers?

Answer

Yes

No

15 If the state monitors the credit strength of the individual self-insured employer, for what purpose?

To ensure solvency and the ability to pay obligations.

16 Is full statutory coverage provided by your state insurance guaranty association/fund in the event that the voluntary market excess carrier becomes insolvent? If not statutory, what is the maximum required payment?

Answer

No, Payment is Limited To Less Than Full Statutory Coverage

Yes, Full Statutory Coverage Is Provided

Other

17 In the event that the self-insured employer and the excess carrier both default on their payment obligations, what process is in place to guarantee payment of claims?

Claims would be covered by the Oklahoma Self Insured Guaranty Fund.

18 In the event that the self-insured employer and the surety bond carrier both default on their payment obligations, what process is in place to guarantee payment of claims?

Claims would be covered by the Oklahoma Self Insurers Guaranty Fund.

19 If a domestic surety bond carrier defaults and is placed into rehabilitation / liquidation by your state insurance department, which creditor class will workers' comp surety bonds be considered?

Don't know.

20 Does your state have a separate guaranty fund for individual self-insured employers?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No

21 Does your state have a separate guaranty fund for group self-insured funds?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No

22 If a self-insured employer guaranty fund exists in your state is it a governmental, quasi-governmental, or private entity?

Answer
<input type="checkbox"/> Governmental
<input checked="" type="checkbox"/> Quasi-Governmental
<input type="checkbox"/> Private
<input type="checkbox"/> No State Self-Insured Guaranty Fund Exists
<input type="checkbox"/> Other

23 Does your self-insured employer state guaranty fund levy assessments against individual self-insurers?

Answer
<input checked="" type="checkbox"/> Yes, Assessments Are Levied Against Individual Self-Insurers
<input type="checkbox"/> No, Assessments Are NOT Levied Against Individual Self-Insurers
<input type="checkbox"/> We Have No Individual Self-Insured Employer Guaranty Funds
<input type="checkbox"/> Other

24 **If assessments are levied against individual self-insurers, how are they calculated?**

A percentage of Permanent Partial Disability Awards.

25 **How are claim liabilities funded when a group self-insurer defaults?**

A percentage of Permanent Partial Disability Awards.

26 **How many employers are currently individually self-insured in your state?**

Answer

None, Individual Self-Insurance Is Not Allowed

Less Than 20 Employers Are Self-Insured

From 20 to 75

From 76 to 125

From 126 to 175

From 176 to 225

Over 225

Other

27 **What types of employers are eligible to individually self-insure their WC liabilities in your state (e.g. private [non-state] entities only, public and private, etc?)**

Answer

Privately Held Companies

Public Entities

Governmental Agencies

School Boards

Municipalities

Individual Self-Insurance Is Not Allowed

Other

28 **What are the minimum financial requirements for participation in self-insurance (e.g. minimum net worth, earnings, etc.?)**

\$500,000 net worth.

29 Are individually self-insured employers allowed to self-administer their claims?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Individual Self-Insurance Is Not Allowed
<input type="checkbox"/> Other

30 If individual self-insured employers are allowed to self-administer claims, are there conditions imposed that do not exist for those employers who utilize a TPA?

Answer
<input type="checkbox"/> Yes
<input checked="" type="checkbox"/> No
<input type="checkbox"/> Individual Self-Insurance Is Not Allowed
<input type="checkbox"/> Other

31 Is group self-insurance permitted in your state?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No

32 How many group funds are operating in your state?

Answer
<input type="checkbox"/> None
<input type="checkbox"/> 1-5
<input checked="" type="checkbox"/> 6-10
<input type="checkbox"/> 10-15
<input type="checkbox"/> More Than 15

33 Is group self-insurance permitted in your state for public entities (i.e. public schools)

Answer
Yes
<input checked="" type="checkbox"/> No
Other

34 Are both heterogeneous and homogeneous group self-insurance funds permitted in your state?

Answer
Yes, Both Heterogeneous & Homogeneous Groups Are Permitted
<input checked="" type="checkbox"/> No, Only Homogeneous Groups Are Permitted
Other

35 How many employers are currently insured through self-insured group funds?

Answer
None, Group Self-Insurance Is Not Permitted
<input checked="" type="checkbox"/> Less Than 500
From 501 to 1,000
From 1,001 to 2,500
From 2,501 to 5,000
From 5,001 to 10,000
More Than 10,000

36 Are group self-insurers required to carry specific excess insurance

Answer
<input checked="" type="checkbox"/> Yes
No
Other

37 Are group self-insurers required to carry aggregate excess insurance?

Answer
<input checked="" type="checkbox"/> Yes
No
Other

38 Are individual self-insured employers required to collateralize their self-insured liabilities by posting a surety bond, letter of credit, or other security with the state governing agency?

Answer
<input checked="" type="checkbox"/> Yes
<input type="checkbox"/> No
<input type="checkbox"/> Other

39 What forms of collateral or security are allowed?

Answer
<input checked="" type="checkbox"/> Surety Bonds
<input checked="" type="checkbox"/> Letters of Credit
<input type="checkbox"/> Cash
<input type="checkbox"/> Securities
<input type="checkbox"/> Real Property
<input type="checkbox"/> Other

40 How is the collateral obligation calculated? (e.g. formula based on case reserves, actuarially developed, etc?)

Varies on a case by case basis.

41 How often is the collateral or security calculated and adjusted to reflect changes with the self-insured employer?

Answer
<input type="checkbox"/> Yearly, Once Calculated The Amount Remains Unchanged For A Year
<input checked="" type="checkbox"/> Periodically As Needed, Changes May Occure During A Year
<input type="checkbox"/> Other

42 How does the state insure that the collateral is sufficient to cover the liabilities in the event of a failure to pay benefits by the individually self-insured employer?

We apply loss development factors and/or require actuarial reports.
