

The Commission's rules provide that all approved insurance carriers must "maintain an Idaho licensed resident adjuster or adjusters, or its own adjusting offices or officers resident in Idaho who have been appointed and have been given authority" as to Idaho worker's compensation claims. IDAPA 17.02.10.012.03. Moreover, each authorized insurance carrier must notify the Commission Secretary "in writing of any change of the designated resident adjuster(s) for every insured Idaho employer within fifteen (15) days of such change." IDAPA 17.02.10.012.03.a. "All insurance carriers and licensed adjusters servicing Idaho workers' compensation claims shall maintain an office within the state of Idaho. The offices shall be staffed by adequate personnel to conduct business." IDAPA 17.02.10.051.01.a. Finally, at least annually, and as staffing changes occur, insurance carriers and licensed adjusters are to submit to the Commission Secretary the names of those authorized to make decisions regarding Idaho claims. IDAPA 17.02.10.051.01.c.

Unless granted a waiver by the Commission, all compensation must be issued from the insurance carrier's or adjuster's in-state office and all checks must be signed and issued within the state. IDAPA 17.02.10.051, paragraphs .06 & .07. At least annually, Commission staff may review the performance of an insurance carrier that has been granted a waiver from these in-state requirements to "assure that the insurance carrier is complying with all statutes and rules pertaining to prompt payments of compensation." IDAPA 17.02.10.051.07.c.

When the Commission receives information permitting an inference that the insurance carrier that has been granted a waiver of these in-state requirements has failed to provide timely benefits, the Commission may issue an order to show cause why the Commission should not revoke that waiver. IDAPA 17.02.10.051.07.d.

Unless otherwise provided, the Commission has general and exclusive jurisdiction over all questions arising under Idaho's worker's compensation law found at Idaho Code §§ 72-101, *et seq.* Idaho Code § 72-707. The Commission is empowered to withdraw its approval of any authorized surety if it appears that the workers secured thereby under this law are not fully protected. Idaho Code § 72-301(2). Unlike proceedings before most other state agencies, a proceeding by the Industrial Commission that may result in the issuance of an order is not a contested case under the Idaho Administrative Procedures Act and the Commission is not required to follow the procedures for contested cases under the provisions of that Act. Idaho Code § 67-5240.

HISTORY

The Guarantee Insurance Company ("Guarantee"), a Florida corporation, received approval from the Commission to transact worker's compensation insurance covering the liability of employers on October 1, 2012. The Commission granted Guarantee a waiver of the in-state compensation issuing and check writing requirements of IDAPA 17.02.10.051, paragraphs .06 and .07, on October 3, 2012.

The Commission's staff advised the Commission that Guarantee has failed to provide prompt payment of compensation required by IDAPA 17.02.10.051.09.a. That rule defines "prompt claim servicing" to include the payment of medical bills in accordance with the provisions of IDAPA 17.02.09, Medical Fees.

IDAPA 17.02.09.035.04 requires undisputed claims for medical bills to be paid within thirty (30) days of receipt of the bill. Guarantee failed to comply with this regulatory requirement, as shown by the allegations set forth in the Commission's ORDER TO SHOW

CAUSE, dated January 8, 2014; which allegations Guarantee does not now dispute. In fact, Guarantee has, through its legal counsel, now consented to the withdrawal of the October 3, 2012 out-of-state check writing waiver.

FINDINGS AND ORDER

Based upon the uncontroverted facts set out in the ORDER TO SHOW CAUSE, the Commission finds that Guarantee has failed, refused, or neglected to comply with the statutory and regulatory requirements for the prompt payment of benefits under the Idaho Workers' Compensation Law.

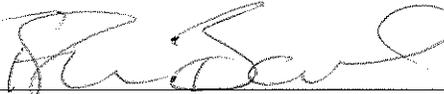
In light of this finding and the consent of Guarantee, the Commission further finds that there are grounds to withdraw the out-of-state check writing waiver previously granted to Guarantee by the Commission on October 3, 2012.

ACCORDINGLY, IT IS HEREBY ORDERED that the out-of-state check writing waiver granted to Guarantee on October 3, 2012 is withdrawn and Guarantee shall forthwith comply with the in-state check writing and compensation issuing requirements of Commission rules, along with all other applicable statutory and regulatory requirements. Any further violation of these applicable statutory and regulatory requirements within the next twelve (12) months may result in an Order to Show Cause Hearing.

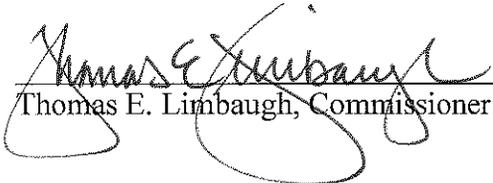
IT IS FURTHER ORDERED that Guarantee may not re-apply for a check writing waiver earlier than twelve (12) months after the date of this ORDER.

DONE by Order of the Idaho Industrial Commission at Boise, Idaho this 13th day of
February, 2014.

INDUSTRIAL COMMISSION


Thomas P. Baskin, Chairman


R.D. Maynard, Commissioner


Thomas E. Limbaugh, Commissioner

ATTEST:


Commission Secretary

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13th day of February 2014, I served a true and correct copy of the foregoing **ORDER WITHDRAWING OUT-OF-STATE CHECK WRITING WAIVER** by Certified United States mail (return receipt requested), postage pre-paid, in an envelope addressed to:

William W. Deal, Director
Attn. Assistant to the Director
Idaho Department of Insurance
700 W STATE ST 3rd FLR
BOISE ID 83720-0043

Steven Mariano
Chief Executive Officer
Guarantee Insurance Company
401 E LAS OLAS BLVD STE 1650
FORT LAUDERDALE FL 33301-4252

Eric S. Bailey, Esq.
BOWEN & BAILEY, LLP
PO BOX 1007
BOISE ID 83701-1007



COMMISSION SECRETARY