012. RULES GOVERNING QUALIFICATION OF INSURANCE CARRIER TO UNDERWRITE WORKERS' COMPENSATION LIABILITY.

01. Deposit With State Treasurer. To receive the approval from the Department of Insurance to underwrite workers' compensation insurance under Section 72-301, Idaho Code, an insurance carrier whose application has been approved by the Director shall comply with the following requirements:

a. Deposit With State Treasurer. The carrier must receive approval from the Director of the Idaho Department of Insurance to underwrite casualty and surety insurance under Sections 41-506 and 41-507, Idaho Code, and shall initially deposit security in the amount of two hundred fifty thousand dollars ($250,000) with the State Treasurer, under the provisions of Section 72-302, Idaho Code. (4-7-11)

02. Application. Before the Industrial Commission shall approve any insurance carrier to do business under the Workers' Compensation Law, said carrier shall apply to the Industrial Commission for permission to write compensation insurance and said application shall include the following:

a. A statement from the Director of the Idaho Department of Insurance that the insurance carrier has been granted authority under the insurance laws of the state of Idaho to write casualty or surety insurance; (4-7-11)

b. Insurance documenting compliance with Paragraph 01.a, above;

c. The latest audited financial statement of said carrier; (4-7-11)

d. The name and address of the agent for service of process in Idaho; (4-7-11)

e. The name and address of the claims administrator or adjusters employed by the insurance carrier; (3-25-16)

f. A statement that the carrier will provide such blank forms that are prescribed by the Commission and distributed to such employers as it may insure; (4-7-11)

g. A statement that all surety bonds covering the payment of compensation will be filed with the Idaho State Treasurer in compliance with the law for all employers insured.
SURETY BOND

KNOW ALL MEN BY THESE PRESENTS:

That we, ________________________________, as Principal, and ________________________________, as Surety, are held and firmly bound unto the State of Idaho and the beneficiaries of awards rendered under the Workers’ Compensation Law of the State of Idaho, for all sums said Principal is liable for by reason of workers’ compensation policies issued to employers in the State of Idaho, insuring such employers’ liability under Title 72, Idaho Code, the Workers’ Compensation Law. Under the authority of Chapter 3, Title 72, Idaho Code, the liability of the Surety on this bond shall in no event exceed an amount equal to the total amount of all outstanding and unpaid compensation awards against the Principal.

In case of any default by the Principal or in the event said Principal shall fail to pay, by reason of insolvency, or because a receiver has been appointed therefor, or by reason of refusal, neglect or delay to pay any final award or awards, the State of Idaho and any beneficiaries under the Workers’ Compensation Law shall have a right of action at law against said Surety immediately upon default by said Principal.

This bond is issued for an indefinite term to begin on the ______ day of ____________________, 20___, and will continue in full force and effect until terminated in either of the following two (2) manners: This bond may be cancelled by the Surety by filing sixty (60) days’ written cancellation notice by registered mail with the Industrial Commission of the State of Idaho. This bond may be cancelled by the Industrial Commission of the State of Idaho by written notice to the Surety hereon, which notice shall specify the date of termination of the bond.

IN WITNESS WHEREOF, the parties hereto have caused their names to be signed and this instrument to be sealed by the respective parties thereto this ______ day of ________________, 20____. (4-7-11)

vii. A statement that renewal certificates on said bonds will be issued and filed with the Industrial Commission immediately, when and if said bonds are to be renewed;—(4-7-11)

viii. A statement that the cancellation of all surety contracts will be made as set forth in the law, if said contracts are cancelled; (4-7-11) in compliance with Section 72-311, Idaho Code;

ix. A statement that said carrier will deposit, in addition to the other security required for authorization to write Workers’ Compensation coverage by these rules, such further security equal to all unpaid outstanding awards of compensation;—(4-7-11)

x. A statement that said carrier will comply with the statutes of the state of Idaho and rules of the Industrial Commission to the end that payments of compensation shall be sure and certain and not unnecessarily delayed; and—(4-7-11)

xi. A statement that said carrier will make such reports to the Commission as it may require in reference to matters under the Workers’ Compensation Law, including IC Form 36A, Report of Outstanding Awards – Insurance Carriers; which must be filed quarterly with the Commission. (4-7-11) are required.