

These filing instructions are intended to supplement Article 5 of Chapter 97 of the North Carolina General Statutes and remain effective unless otherwise amended or updated.

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### **Annual Filing Requirements**

The annual filing requirements are specified by N.C.G.S. § 97-180. The following summarizes the four (4) items that comprise the annual filing package. These items are to be filed simultaneously within 120 days after the fiscal year-end:

1. **Audited Financial Statements:**

- The financial statements are to be audited by a CPA prepared in accordance with US GAAP.
- The financial statement presentation should facilitate the application of ratio and trend analysis.

2. **Actuarial Certification:**

- The certification shall be prepared by a qualified actuary stating the actuary's opinion relating to loss and loss adjustment expense reserve for the North Carolina workers' compensation obligations on an undiscounted basis. The opinion shall be for the period of time that corresponds with the fiscal year-end.
- The self-insurer shall receive and retain an annual report from the actuary that is consistent with the time period of self-insurer's accounting fiscal year-end. The report shall indicate the scope of the certification as well as support the actuary's opinion.

3. **Statement of Workers' Compensation Benefits and Obligations:**

- Submit a sworn statement (form enclosed), stating the total workers' compensation benefits paid within the prior fiscal year. In addition the total of workers' compensation liabilities for each loss year, recorded at the close of its fiscal year for the net retained liability. Total workers' compensation benefits paid and total workers' compensation liabilities must coincide with the self-insurer's accounting fiscal year-end.
- The enclosed form is to be executed by a corporate officer of the self-insured Individual.

4. **Certificate of Insurance (for Specific and Aggregate Excess Insurance):**

- Every self-insurer is to provide to the Commissioner a certificate of insurance or other documentation, upon renewal of the policy, evidencing the required specific and aggregate excess coverage.
- Self-insurers shall, only at the request of the Commissioner, furnish copies of its excess insurance policies and amendments.

### **Miscellaneous Filing Requirements**

- (A) Pursuant to N.C.G.S. § 97-180 (e), every self-insurer is to report to the Commissioner changes in names, changes in addresses of businesses it self-insures as well as changes in financial condition, business structure, including its divisions, subsidiaries, affiliates, etc. Any such change must be made in writing to the Commissioner within 10 days after the effective date of change.

Changes in the service company administering the self-insurer's claims must also be reported to the Commissioner to ensure proper carrier codes are assigned.

- (B) Submit an Annual Payroll Report (on a calendar year basis) to the NC Department of Revenue that summarizes payroll, by classification, number of employees, annual remuneration applying the rules and classifications in the most recently approved Workers' Compensation and Employers Liability Insurance Manual. Payroll filings are to be filed in accordance with the requirements prescribed by the NC Department of Revenue. No filing is necessary to the NC Department of Insurance.

Please note that N.C.G.S. § 58-2-100 provides that the office of the Commissioner shall be a public office and the records, reports, books and papers thereof on file therein shall be accessible to the inspection of the public. As there are no specific statutes exempting these required filings, these records are open to public inspection.

**Please note that N.C.G.St. § 97-176 provides the Commissioner with the ability to assess civil penalties whenever the Commissioner has reason to believe that a self-insurer has violated any provisions of the Article. This would apply in ensuring that all statutory filings are presented to the Department within time frame prescribed by state law.**

Submit the required filings to the following address:

#### **Mailing Address**

North Carolina Department of Insurance  
Financial Analysis & Receivership Division  
Special Entities Section  
1203 Mail Services Center  
Raleigh, NC 27699-1203

#### **Location Address**

North Carolina Department of Insurance  
Financial Analysis & Receivership Division  
Special Entities Section  
Albemarle Building  
325 N. Salisbury Street  
Raleigh, NC 27603

If you have any questions regarding these instructions, please contact Mike McKinney at 919.807.6628.