

FWCJUA AGENCY AUTHORIZATION – IMPORTANT NEED TO KNOWS

Pursuant to the Agency Producer Agreement, Agencies and Designated Producers are required to abide by the FWCJUA Plan of Operation and must use reasonable care to furnish accurate information to the FWCJUA. Failing to comply with the FWCJUA Plan of Operation as well as policies and procedures adopted by the FWCJUA's Board of Governors; making material misrepresentations in connection with FWCJUA business, and demonstrating a lack of competency, fitness or trustworthiness to act as an Agency or Designated Producer may result in the suspension, revocation, or termination of the Agency Producer Agreement.

VOLUNTARY MARKET DECLINATIONS & DILIGENT EFFORT

Each authorized Agency/Designated Producer shall maintain, as part of each of its client's file, documentation evidencing the diligent effort taken to place the employer in the voluntary market at time of FWCJUA application and on an annual basis if coverage is placed with the FWCJUA. A diligent effort requires that the employer's application be **submitted to and rejected by at least two non-affiliated workers' compensation insurers in the voluntary market, that write workers compensation insurance in the employer's classification code, within the past sixty (60) calendar days specifically including, where applicable, the current insurer.** Validation and documentation of such is the responsibility of each authorized Agency/Designated Producer.

Specifically, declinations must be associated with a voluntary market application that will be no more than 60 days old at the time of the binding of coverage by the FWCJUA. For renewal policies, a voluntary market search should be conducted prior to policy renewal as this is in the best interest of the Employer; however, the FWCJUA will accept declinations that are secured during the 30-day period given for the renewal declination review process provided they are valid and issued within the past 300 calendar days. Thus, it is important to ensure that for application submissions, you submit the FWCJUA application with sufficient time to get through the underwriting process. Otherwise, you may be asked to secure additional declinations prior to the binding of FWCJUA coverage. Further, the FWCJUA will not accept declinations that have simply been reissued by the Insurer with a new date as the original declination date associated with the voluntary market application is the date that is used by the FWCJUA.

Declinations may be in the form of an email message or a formal letter from the declining Insurer or its licensed Managing General Agent (MGA) holding an active appointment-only status in Florida and is not required to be addressed to the submitting Agency, but its validity should be confirmed by the submitting Agency prior to presentation to the FWCJUA.

- Declinations must be documented on a risk-by-risk basis. Declination documentation must provide information that permits the FWCJUA to verify the validity of the declination and such documentation at a minimum should provide the following:
- Name and contact information for the declining Florida-licensed workers compensation Insurer, or
- Name and contact information for the declining Florida-licensed workers compensation Insurer's MGA, or
- Declining Insurer Representative's name and contact information, and
- Date of declination, which is not necessarily the date of the letter of declination, and
- Reason for declination with specificity. *Note: The FWCJUA will accept "does not meet our underwriting guidelines," for a declination reason, provided at time of validation the Insurer verifies that the declination was not solely due to the class code or nature of operations given the reason is fairly broad and still somewhat undefined.*

If a third-party insurance agency, insurance broker or MGA is used to secure a declination for the employer by the Agency, the declination must provide the documentation listed above. Again, it is the responsibility of the authorized Agency/Designated Producer to perform the due diligence to ensure that the Insurer's declination is valid and to document such in the employer's file, to include verifying that any third-party wholesaler/MGA/broker it utilizes makes a diligent effort to place the employer's coverage in the voluntary market.

Please refer to the www.fwcjua.com for more information on what constitutes a valid declination for FWCJUA purposes.

The FWCJUA shall review all declinations and will confirm that each employer was submitted to and declined by at least two non-affiliated workers' compensation insurers admitted in Florida. Agencies and Designated Producers that fail to comply with the FWCJUA Plan of Operation and are found to have submitted unverifiable declinations will be subject to suspension, revocation, or termination of their authority to submit business to the FWCJUA.

ALTERED / FALSIFIED DOCUMENTS	Neither the Agency nor a Designated Producer shall alter a document or email message that did not originate from them and present such to the FWCJUA. Altering another's document or email message by anyone from an authorized Agency is unacceptable and considered a material misrepresentation. Further, any bogus email message or document that is provided to the FWCJUA that originated from the Agency or a Designated Producer is unacceptable and considered a material misrepresentation. Upon confirmation of an altered/falsified email message or document, the FWCJUA will initiate revocation of the Designated Producer's and Agency's authorization.
NO AUTHORITY TO BIND	Neither an Agency nor a Producer is an agent of the FWCJUA or any FWCJUA Service Provider, and they have no authority, actual or apparent, to bind the FWCJUA or any Service Provider. Neither an Agency nor a Producer shall represent to any person, either expressly or by implication, that the Agency or the Producer is an agent of the FWCJUA or any Service Provider. Toward that end, neither the Agency nor a Producer shall use any materials provided by the FWCJUA or any Service Provider in such a manner as to create the impression that an agency relationship exists between the Agency and the FWCJUA or any Service Provider.
ADDITIONAL FEES & CHARGES	Neither the Agency nor a Designated Producer shall charge fees or additional service charges, premium charges, charges for completing an application or any other charges which are not specifically authorized by the FWCJUA.
BAD CHECKS	The Agency shall not issue checks, drafts, or similar negotiable or non-negotiable instruments if they will be returned unpaid due to insufficient funds in the Agency's account at the time they are issued or any time thereafter.
APPLICATION SUBMISSION TIMING	Whenever possible, the Employer's application should be submitted to the FWCJUA sufficiently in advance to avoid a lapse in coverage as such a lapse can impact the rating tier and in turn, the premium surcharge that will be applied. (Note: The FWCJUA does not back date coverage or hold target effective dates ... coverage is bound the first calendar day after receipt of the fully executed application submission to include the required premium due.)
MISREPRESENTATION	Once authorized to submit business to the FWCJUA, the Agency and Designated Producers are not to provide any false, inaccurate or misleading information on applications or with respect to claims or other material matters submitted to the FWCJUA or any Service Provider. The Agency is primarily responsible for misrepresentations on applications regardless of whether those misrepresentations originated with the applicant, the Agency, a Designated Producer or CSR. The errors and omissions coverage maintained by each Agency must provide for, but not be limited to, indemnification of the FWCJUA for any amounts paid to or on behalf of an insured which would not have been paid absent the misrepresentation.
CERTIFICATES OF INSURANCE	Neither the Agency nor a Designated Producer shall issue FWCJUA certificates of insurance outside the Certificate of Insurance issuance system located on the FWCJUA's website, www.fwcjua.com , without the prior written consent of the FWCJUA or its Service Provider. The only party authorized by the FWCJUA with the discretionary power to issue certificates of insurance outside the FWCJUA's Certificate of Insurance issuance system is its Service Provider. The Agency and Designated Producers shall only be given permission to issue a certificate of insurance outside the FWCJUA's Certificate of Insurance issuance system, if at all, on an individual case-specific basis.
NOTARIZATION PROHIBITION	Pursuant to Florida Statutes Section 117.107(12), a notary public may not notarize a signature on a document if the notary public has a financial interest in or is a party to the underlying transaction. Therefore, the FWCJUA does not accept any document which has been notarized by a commissioned customer service representative, Designated Producer, Agent-in-Charge, or an owner of the Agency.
CHANGE OF AGENCY AND/OR DESIGNATED PRODUCER	<p>Agency of Record: Changes must be requested by the Employer in writing and be accompanied by a submission of an online FWCJUA Application for Coverage for the Employer by a Designated Producer of the Employer's requested Agency of record. The requested Agency of record shall become effective upon the policy inception date of any coverage bound resultant from the online FWCJUA Application for Coverage submission. Any in-force coverage that the Employer may have with the FWCJUA shall be cancelled to coincide with the effective date of any new coverage bound.</p> <p>Designated Producer of Record: Changes must be requested by the Employer in writing. If the Employer merely requests another Designated Producer recognized within the Agency's current Agency Producer agreement, such change may become effective upon receipt of the written request.</p> <p>The FWCJUA shall not designate an Agency or a Designated Producer of record if the Employer fails to name one.</p>

DUTIES & RESPONSIBILITIES

1. To assist the Employer in meeting its obligations under the Florida Workers Compensation Law, preferably by securing coverage in the voluntary market. Failing to obtain such coverage, the Agency or its Designated Producer then has the responsibility to assist the Employer in obtaining coverage with the FWCJUA in a prompt and efficient manner. Even if coverage must be placed with the FWCJUA, the Agency or its Designated Producer has the continuing responsibility to try to place the coverage in the voluntary market. The Agency or its Designated Producer must explain to the Employer the necessity for securing coverage with the FWCJUA.
2. To notify the Employer, in writing, at the time of application, that the Application for Coverage is being submitted to the FWCJUA and that coverage may be available with another Insurer through another agent at a lower cost.
3. To assist the Employer needing coverage in completing thoroughly and accurately, an Application for Coverage and any other documents that may be required, and in forwarding these promptly to the FWCJUA. This includes explaining to the Employer any and all questions regarding the Application for Coverage as well as providing the Employer with the opportunity to read the Application for Coverage.
4. To review all Applications for Coverage for reasonableness and accuracy, using any available historic information regarding the Employer.
5. To inform the Employer that authorized Agencies and Designated Producers do not have binding authority on FWCJUA Applications for Coverage. Upon receipt of a properly completed Application for Coverage with all required supporting documentation, the FWCJUA shall make an eligibility determination regarding the Employer and shall bind coverage, if appropriate, upon receipt of the correct estimated annual or deposit and/or advance premiums inclusive of the flat fee.
6. To explain to the Employer, at the time of application, that if determined to be eligible and in good faith entitled to FWCJUA coverage, the premium will be calculated using any applicable FWCJUA surcharges. The Agency or its Designated Producer must also notify and explain to the Employer, in writing, the eligibility criteria, applicable rates, applicable surcharges, all premium payment options and assessable feature for each rating tier.
7. To explain to the Employer the classification codes that are used for premium calculations pursuant to section 440.381(2), Florida Statutes.
8. To explain the Employers obligation to use the Managed Care Arrangement and communicate to Employers that failure to obtain medical treatment from a participating network provider, except in cases of emergency or urgently needed care, may jeopardize the Insured's workers compensation coverage.
9. To assist the Employer in filing all necessary election and/or exemption of coverage forms with the Bureau of Compliance.
10. To promptly report to the appropriate Service Provider all changes in the Employer's name, operations, exposures, employee names, locations, financial condition or other changes which may affect the policy or the services being provided. To keep the policy updated and current by promptly requesting endorsements as required.
11. To promptly notify the FWCJUA if the Employer enters into, revises, or exits an employee leasing or any other staffing arrangement during the policy period.
12. To assist the Employer in securing and submitting any prior loss history and corresponding policy premium as required to determine or confirm tier eligibility.
13. To see that adequate deposit and advance premiums are maintained and encourage the Employer to realistically estimate payroll.
14. To determine what coverages the Employer needs for its Florida operations. To secure such coverage, as available, from the Service Provider, in the voluntary market, or appropriate pools or funds.
15. To promptly forward all premium, assessment, fee, surcharge and penalty payments received from the Employer to the Service Provider to avoid cancellations and lapses in coverage. To encourage the Employer to meet all premium, assessment, surcharge and penalty payments, and, if any, finance company obligations in a timely manner.
16. To advise the Employer in all matters relating to his workers compensation insurance. To request information on the Employer's behalf, as needed, from the Service Provider or the FWCJUA.
17. To promptly refund any excess agency producer fees paid to the Agency by the Service Provider when requested to do so.
18. To advise the Employer of the available premium discount programs offered to FWCJUA insureds that can effectively reduce the Employer's final workers compensation insurance premium. To assist the Employer in applying for and renewing the premium discount programs that are applicable to the Employer as appropriate.