

509A.15 Certification of self-insurance plans — exemption.

1. *a.* Within ninety days following the end of a fiscal year, the governing body of a self-insurance plan of a political subdivision or a school corporation shall file with the commissioner of insurance a certificate of compliance, actuarial opinion, and an annual financial report. The filing shall be accompanied by a fee of one hundred dollars. A penalty of fifteen dollars per day shall be assessed for failure to comply with the ninety-day filing requirement, except that the commissioner may waive the penalty upon a showing that special circumstances exist which justify the waiver. The certificate shall be signed and dated by the appropriate public official representing the governing body, and shall certify the following:

(1) That the plan meets the requirements of [this chapter](#) and the applicable provisions of the Iowa administrative code.

(2) That an actuarial opinion has been attached to the certificate which attests to the adequacy of reserves, rates, and financial condition of the plan.

(3) That a written complaint procedure has been implemented. The certificate shall also list the number of complaints filed by participants under the written complaint procedure, and the percentage of participants filing written complaints, in the prior fiscal year.

(4) That the governing body has contracted or otherwise arranged with a third-party administrator who holds a current certificate of registration issued by the commissioner pursuant to [section 510.21](#), or with a person not required to obtain the certificate as a third-party administrator as defined in [section 510.11, subsection 2](#).

b. The actuarial opinion must include but is not limited to a brief commentary about the adequacy of the reserves, rates, and the financial condition of the plan, a test of the prior year claim reserve, a brief description of how the reserves were calculated, and whether or not the plan is able to cover all reasonably anticipated expenses. The actuarial opinion shall be prepared, signed, and dated by a person who is a member of the American academy of actuaries.

c. If necessary, the actuary should assist the public body in preparing the annual financial report. The annual financial report shall be in a format as prescribed by the commissioner.

2. The commissioner shall by rule require the maintenance of confidentiality of information held by the plan administrator.

3. The failure of the governing body to provide the certificate of compliance required by [subsection 1](#), or the failure of the governing body or plan administrator to abide by a requirement of the plan, [this chapter](#), or applicable rule, is grounds for action against the plan, including cause for disapproval or discontinuance of the plan.

4. *a.* One or more political subdivisions of the state or one or more school corporations maintaining self-insured plans with yearly claims that do not exceed two percent of each entity's general fund budget shall be exempt from the requirements of [this section](#) where the plan insures employees for all or part of a deductible, coinsurance payments, drug costs, short-term disability benefits, vision benefits, or dental benefits.

b. The yearly claim amount shall be determined annually on the policy renewal date, or an alternative date established by rule, by a plan administrator or political subdivision or school corporation employee to be designated by the plan administrator. The exemption shall not apply for the year following a year in which yearly claims are determined to exceed two percent of the political subdivision's or school corporation's general fund budget.

88 Acts, ch 1112, §104; 92 Acts, ch 1162, §14; 93 Acts, ch 88, §10; 2000 Acts, ch 1200, §1; 2003 Acts, ch 91, §12; 2006 Acts, ch 1117, §34, 35; 2012 Acts, ch 1023, §109