

191—56.2(87,505) Definitions.

56.2(1) “*Commissioner*” shall mean the commissioner of the insurance division of Iowa, appointed by the governor pursuant to Iowa Code section 505.2.

56.2(2) “*Division*” shall mean the insurance division of Iowa.

56.2(3) “*Employer*” shall be defined as set forth in Iowa Code section 85.61.

56.2(4) “*Workers’ compensation self-insurance association*” or “*association*” means a not-for-profit unincorporated association consisting of five or more employers who are members of the same bona fide business or professional association which has been in existence for not less than five years, and who enter into agreements to pool their liabilities for workers’ compensation benefits and employer’s liability in this state pursuant to Iowa Code section 87.4.

56.2(5) “*Administrator*” means an individual, partnership or corporation engaged by a workers’ compensation self-insurance association’s board of trustees to carry out the policies established by the association’s board of trustees and to provide day-to-day management of the association.

56.2(6) “*Insolvent*” or “*insolvency*” means the inability of a workers’ compensation self-insurance association to pay its outstanding lawful obligations as they mature in the regular course of business, as may be shown either by an excess of its required reserves and other liabilities over its assets or by its not having sufficient assets to reinsure all of its outstanding liabilities after paying all accrued claims owed by it.

56.2(7) “*Net premium*” means premium derived from standard premium adjusted by any advance premium discounts.

56.2(8) “*Service company*” means a person or entity which provides services not provided by the administrator, including but not limited to, (a) claims adjustment, (b) safety engineering, (c) compilation of statistics and the preparation of premium, loss and tax reports, (d) preparation of other required self-insurance reports, (e) development of members’ assessments and fees, and (f) administration of a claim fund.

56.2(9) “*Standard premium*” means the premium derived from the manual rates adjusted by experience modification factors but before advance premium discounts.

56.2(10) “*Workers’ compensation*,” when used as a modifier of “benefits,” “liabilities,” or “obligations” means both workers’ compensation and employer’s liability.