

MAR 16 1995

LABOR & INDUSTRIAL RELATIONS

HOUSE FILE
BY HEATON

462

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to financial standards for self-insured workers'
2 compensation plans.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HF 462

1 Section 1. Section 87.4, subsection 2, Code 1995, is
2 amended to read as follows:
3 2. Establishment of minimum financial standards to ensure
4 the ability of the plan to adequately cover the reasonably
5 anticipated expenses. The standards shall allow an
6 association to assume a portion of the risk for payment of
7 workers' compensation benefits by permitting the association
8 to maintain annual aggregate excess insurance with an aggre-
9 gate attachment point generally available to the industry and
10 approved by the commissioner of insurance.

11 EXPLANATION

12 This bill provides that financial standards approved by the
13 commissioner of insurance for self-insured workers' compensa-
14 tion plans shall allow a self-insurance association to
15 participate in a plan that assumes a portion of the risk for
16 payment of workers' compensation so long as the excess
17 insurance maintained by the association meets certain
18 criteria.

19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35