

342.347 Examination of finances of individual self-insureds -- Annual statement of financial condition -- Role of Department of Insurance.

- (1) The commissioner or the commissioner's designee shall have power to examine the financial condition and affairs related to workers' compensation of any individual self-insureds and shall have free access to books and documents relating to the self-insurance activities of the entity. The commissioner shall so examine each individual self-insured not less frequently than once every four (4) years. Information obtained through the examination shall be exempt from disclosure, under KRS 61.878(1)(j).
- (2) All individual self-insured employers shall file with the commissioner a statement of financial condition audited by an independent certified public accountant on or before one hundred twenty (120) days from the end of the self-insured's fiscal year for the immediately preceding fiscal year.
- (3) The expense of examination shall be borne by the entity examined and shall include reasonable lodging and travel expenses of the commissioner's designees, and expert assistance as necessarily incurred in the examination.
- (4) The Department of Insurance shall approve the form and contents of excess insurance policies and upon request of the commissioner shall review the application for approval of any individual self-insured and render an opinion as to the sufficiency of the excess insurance policies or other security posted by the applicant.
- (5) Not less often than biennially, the commissioner of the Department of Insurance shall review the activities, procedures, administrative regulations, and policies of the Department of Workers' Claims and make such recommendations to the Governor and legislative committees as may be appropriate to strengthen the oversight of individual self-insureds so that payment of liabilities to workers under this chapter is assured.

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History: Amended 2010 Ky. Acts ch. 24, sec. 1823, effective July 15, 2010. -- Amended 2005 Ky. Acts ch. 45, sec. 10, effective June 20, 2005; ch. 93, sec. 7, effective March 16, 2005; and ch. 7, sec. 44, effective March 1, 2005. -- Created 1996 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 35, effective December 12, 1996.