

# Specialty Lines

## UNDERWRITERS

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### THIRD PARTY BENEFIT PLAN ADMINISTRATORS/CONSULTANTS SUPPLEMENTAL APPLICATION

1. Give approximate percentage of revenues derived from all operations engaged in:

<u>OPERATIONS DESIRED</u>	<u>% OF PROJECTED REVENUES</u>	<u>IF COVERAGE DESIRED (CHECK HERE)</u>
Providing Consulting Services	_____	_____
Providing Actuarial Services	_____	_____
Administration of Health & Welfare Plans (specify type of plan)		
Single Employer Plans	_____	_____
Multiemployer benefit plans (Taft-Hartley Trusts)	_____	_____
Multiple Employer Welfare Arrangements (MEWAs)	_____	_____
Administration of Pension Plans	_____	_____
The design development or customization of computer software sold or provided to third party outside the normal operations of the applicant as a TPA	_____	_____
Other _____	_____	_____
Total must equal	100%	

2. (A) Number of Plan sponsors \_\_\_\_\_  
 (B) Number of participants for the Plans administered by the Applicant: \_\_\_\_\_  
 (C) Total annual contributions to the Plans administered by the applicant: \_\_\_\_\_  
 (D) Total annual benefit payments issued in the Applicants administration of all such Plans: \_\_\_\_\_  
 (E) Number of Plan Sponsors added and deleted in the past year: \_\_\_\_\_  
 (F) What percentage of all Plans are:  
     Self funded with stop-loss \_\_\_\_\_  
     Self funded with no stop-loss \_\_\_\_\_  
     Fully insured \_\_\_\_\_  
 (G) List carriers that stop loss coverages are placed with:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Does the applicant firm, its partners, directors, officers or employees act as trustee for the Employee Benefit Plans clients or non clients?  
 YES  NO

4. A) Name and address of law firm(s) acting as counsel to the applicant firm and nature of services provided:

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B) Name and address of all firms providing accounting services to the applicant and the nature of services provided:

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5. Does the applicant have a fidelity bond?  YES  NO  
If no, do your clients list you as an additional insured under their Fidelity coverage?  YES  NO

6. Please outline below the applicant firm's standards of practice (procedural protocols).

A) Do you have written guidelines for the administration of each of your Plans, including your procedure for denial of benefits?  
 YES  NO

B) What percentage of claims are denied  %

C) What percentage of denials are appealed?  %

D) What is the average error rate of your claims handlers  %

7. A) Which of the following are functions of your firm's Electronic Data Processing System? (please check off)

- Calculation of Co-payments;
- Claim Eligibility;
- Enrollment Information;
- Management Reports;
- Adjustors Accuracy;
- Analysis of Large Claims;
- Notices to StopLoss Carrier;
- Productivity Reports;
- Claim payments by Plan Year;
- Telephone Tracking System;
- Total Calls Received,
- Call backs due to claim handling problems,
- Turn around time;

- Calculation of Deductibles;
- Confidentiality Safeguards;
- Monitoring of Duplicate Claims;
- Claim Appeals tracking;
- Check Registers(weekly & monthly
- Payment Registers and analysis
- Monthly Aggregation Reports to Carrier (by claim or agg & spec);
- Claim analysis summaries by Year
- Time & materials analysis;
- Cost containment results;
- Expense analysis;
- Analysis of Loss causes;

7. Continued:

(B) If your system contains checks and balances to guard against the following, please note them with a check-mark:

- |  |  |
|--|--|
| <input type="checkbox"/> Overpayments;                 | <input type="checkbox"/> Underpayments;                                      |
| <input type="checkbox"/> Late Payments;                | <input type="checkbox"/> Payments from incorrect Plan;                       |
| <input type="checkbox"/> Payments to ineligible;       | <input type="checkbox"/> Unfair/unjust enrichment;                           |
| <input type="checkbox"/> Improper refusal of benefits; | <input type="checkbox"/> Failure to follow payment guidelines or procedures; |

8. How often does your organization do an internal audit?

\_\_\_\_\_

What situations are the audit guidelines designed to reveal?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. What is your average turnaround time for benefits claim processing: This year \_\_\_\_ days Last year \_\_\_\_ days

It is understood and agreed that this supplemental application shall become a part of the application for Professional Liability Errors and Omissions Insurance.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Signature of person authorized  
to execute on behalf of the  
Applicant

Please Note:

All services or operations by the Applicant are not automatically covered under any policy issued pursuant to this Supplemental Application. The services or operations to be provided coverage is an underwriting decision by the insurer. Please consult with your broker and carefully review any policy and endorsements which may be issued pursuant to this Supplemental Application.