



NCCI WCIP STATE INSTRUCTIONS

Use the state chart below along with the ACORD® Forms Instruction Guide for completing the ACORD® 133 Workers Compensation Insurance Plan Assigned Risk section and ACORD® 130 Workers Compensation Application. For questions relating to the Plan, please refer to

- NCCI's **Residual Market Manual for Workers Compensation and Employers Liability Insurance** for Illinois (**Residual Market Manual** for Illinois)
- NCCI's **Basic Manual for Workers Compensation and Employers Liability Insurance** for Illinois (**Basic Manual** for Illinois)
- NCCI's **Basic Manual User's Guide**, and
- NCCI's **Assigned Risk Supplement**.

You may also contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).

ILLINOIS (as of 7/18/2023)				
Estimated Annual Premium	Premium Installment Basis	Minimum Deposit %	Additional Payments During Year	Number of Refusers: Two—one must be the current carrier, if applicable.
\$1,000 or less	Annual	100%	None	Effective Date: The later of the following options: <ul style="list-style-type: none"> • 12:01 a.m. on the date following receipt by the Plan Administrator of a complete and eligible application • The date of expiration of existing coverage • A date that the applicant requests If an eligible application and check are sent via US mail, coverage will be bound at 12:01 a.m. on the day following the postmark on the envelope or the expiration of existing coverage. For effective date determination, a private postage meter mark will not be accepted, and only a US Postal Service postmark affixed to the envelope will be accepted by the Plan Administrator as a valid postmark.
At least \$1,001	Quarterly	40%	Three	
At least \$10,000	Monthly	25%	Eleven	

Additional premium installments must be made in equal amounts, the sum of which, when added to the deposit premium, must equal 100% of the estimated annual premium. Estimated annual premium and the premium installment schedule are subject to adjustment at preliminary, interim, and/or final audit(s) or when an endorsement is issued. At policy inception, the employer may request a higher minimum deposit percentage, but may not select a deposit percentage lower than the otherwise applicable minimum stated in the deposit and premium installment table.

The deposit and premium installment table is followed by all assigned carriers. However, the assigned carrier, based on sound underwriting practices, may make appropriate changes to the governing state's premium installment basis that the employer selected. The assigned carrier must provide the reason(s) for such change(s) to the employer and will appropriately document the file.

Minimum Premium Policies

The deposit premium for a minimum premium policy is 100% of the estimated annual premium. Minimum premium policies must be paid in full and are not eligible for premium installments.

Short-Term Policies

The deposit premium for short-term policies with a duration of six months or less is 100% of the estimated premium. The estimated premium is based on the estimated payroll for the policy period, unless otherwise approved by the Plan Administrator.

For any dispute concerning the change of an employer's payment basis, refer to NCCI's **Residual Market Manual** for Illinois rule, Dispute resolution procedure.

Application Submission Options:

- Online—Applications may be submitted via NCCI's website at ncci.com. To enroll for access to this free service, contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123) or at customer_service@ncci.com.
- Telephone—Applications may be submitted by contacting NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).
- Mail—Applications may be submitted via the US Postal Service or private overnight delivery to the address provided below.

Note: Under Illinois law, an out-of-state agent/producer is required to have an Illinois resident or nonresident license to submit an application to NCCI for primary coverage. Further, an employer must submit an application through a properly licensed agent/producer.

Voluntary Coverage Assistance Program (VCAP® Service):

NCCI's **VCAP® Service** applies to all employers seeking coverage through the residual market in which NCCI is the Plan Administrator, and is offered through NCCI's Residual Market Application Processing System (**RMAPS® Online Application Service**). Through this free, Internet-based application, voluntary coverage providers have the opportunity to evaluate potential employers that submit applications through the residual market. All assigned risk applications (electronic, phone-in, or mail-in) submitted to NCCI as Plan Administrator are processed through **VCAP® Service** to determine if they match the preselected criteria specified by a participating voluntary coverage provider.

Refer to NCCI's **Residual Market Manual** for Illinois rule, Voluntary Coverage Assistance Program (**VCAP® Service**) for more information.

Loss Sensitive Rating Plan:

The Loss Sensitive Rating Plan (LSRP) is a mandatory assigned risk retrospective rating plan for those employers that have a workers compensation and employers liability insurance policy(ies) with LSRP standard premium that equals or exceeds \$250,000.

In addition to the WCIP initial or deposit premium, employers qualifying for the LSRP are required to submit an LSRP contingency deposit to the assigned carrier. The LSRP contingency deposit is calculated by multiplying the LSRP standard premium by 20%. Subject to certain conditions, the LSRP contingency deposit may be paid by Automated Clearing House/Electronic Funds Transfer (ACH/EFT), credit card, personal or business check, or an Irrevocable Letter of Credit (ILOC).

Refer to NCCI's **Residual Market Manual** for Illinois rule, Loss Sensitive Rating Plan (LSRP) for more information.



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Guide to Premium Calculation:

- Experience rating modification, if applicable
- Illinois Contracting Classification Premium Adjustment Program (CCPAP), if applicable
- Illinois Deductible insurance, if applicable
- Assigned Risk Adjustment Program (ARAP), if applicable, applies to modified premium with a maximum surcharge of 1.25

Election/Rejection Under State Law:

Sole proprietors, partners, and members of limited liability companies who engage in an extra hazardous business (as defined in 820 ILCS 305/3) are automatically covered under the Act, but may elect to exclude themselves from the Act by giving written notice to the carrier. Attach a copy of the written notice to the application. Payroll must be excluded for any sole proprietor, partners, or members of limited liability companies rejecting coverage.

Note: Members of limited liability companies are treated as sole proprietors/partners for premium determination purposes in Illinois.

Sole proprietors and partners who do not engage in extra hazardous business are **not** automatically covered under the Act, but may elect to include themselves under the Act. Payroll must be included for any sole proprietor or partners electing coverage.

Corporate officers (which include only the President, Vice President, Secretary, and Treasurer) are automatically covered under the Act, but may elect to exclude themselves from the Act by giving written notice to the carrier. Attach a copy of the written notice to the application. Payroll must be excluded for any corporate officers rejecting coverage.

Failure to file the appropriate notice/form for election or rejection of coverage in accordance with state laws may result in additional premium being charged and collected by the Plan Administrator or the assigned carrier.

Volunteers

Volunteers for the Emergency Services and Disaster Agencies and for the Illinois Emergency Management Agencies are automatically covered under the Act. Only death benefits are automatically covered for volunteer firemen, civil defense workers, and civil air patrol persons.

Refer to the Workers' Compensation Commission at www.iwcc.illinois.gov for the most current rules and regulations.

Note: This information applies only to Illinois law. If additional states are to be covered, additional action may be necessary under applicable state law.

Employee Leasing:

IMPORTANT: Before completing Professional Employer Organization (PEO)/Employee Leasing Arrangement applications, refer to NCCI's Residual Market Manual for Illinois rule, Professional Employer Organization (PEO) arrangements for more information. Obtain forms from NCCI.

PEO registration/license requirement: The state of Illinois requires the PEO to be registered with the state. PEO applicants will be asked to provide proof of PEO registration. Applications submitted to NCCI will not be bound if the state confirms that the applicant is not registered.

- All of the PEO's leased workers to clients under the state's WCIP must be secured under an MCP basis
- The client's policy covering its leased workers will be issued in the name and FEIN of the client in accordance with this rule and all other rules governing the issuance of a standard policy for assigned risk business
 - o Direct workers of a client will not be included on the client's policy for its leased workers
- The PEO's policy covering its direct workers will be issued in the name and FEIN of the PEO in accordance with this rule and all other rules governing the issuance of a standard policy for assigned risk business under the WCIP
 - o If the PEO has no direct workers in the state where its clients' coverage is being obtained, the PEO's policy will be issued with premium based on the use of Code 8810—Clerical Office Employees NOC on an "if any" basis

Insurance Companies That Have Offered/Refused Insurance:

Question #1, which appears in this section on the ACORD® 133 application, is not applicable in Illinois.

Applicant's Statement:

The paragraph of the Applicant's Statement on the ACORD® 133 application, which requires the employer to certify that it has had no difficulties with any agent or company in regard to payroll records, the amount of premium charged, the payment of premium, etc., is not applicable in Illinois.

Submit Application via

Regular Mail to:

NCCI
Attn: Treasury Department
PO Box 3045
Boca Raton, FL 33431

Send Correspondence to:

NCCI Customer Service Center
901 Peninsula Corporate Circle
Boca Raton, FL 33487-1362
Phone: 800-622-4123
Fax: 561-893-1191

Submit Application via

Overnight Delivery to:

NCCI
Attn: Treasury Department
901 Peninsula Corporate Circle
Boca Raton, FL 33487-1362