

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 Rule 4 of NCCI's *Basic Manual for Workers Compensation and Employers Liability Insurance*, NCCI's *Basic Manual User's Guide* (National pages), and NCCI's *Assigned Risk Supplement*, or contact NCCI's Customer Service Center at 800-NCCI-123 (800-622-4123).

VERMONT					
Estimated Annual Premium	Premium Installment Basis	Minimum Deposit %	Additional Payments During Year	Service Fee	Number of Refusers: Two—one must be the current carrier, if applicable.
Under \$1,000	Annual	100%	None	N/A	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 \$1,000	Deposit + 2	50%	Two equal installments due at the beginning of months four and seven		
Above \$5,000	Deposit + 8	30%	Eight equal installments due at the beginning of months two through nine		

Following issuance of two nonpayment cancellation notices during the policy period, payment plan privileges are forfeited for the balance of the policy year. Payment of the entire outstanding balance of the estimated policy premium is required to reinstate coverage. The assigned carrier must reinstate the policy coverage effective the day following the date of receipt of all premiums due.

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 *Basic Manual* Rule 4-A-10.

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 or at customer_service@ncci.com.
- Telephone—Applications may be submitted by contacting NCCI's Customer Service Center at 800-NCCI-123.
- Mail—Applications may be submitted via the US Postal Service or private overnight delivery service to the address provided below.

Note: Under Vermont law, an out-of-state agent/producer is required to have a Vermont resident or nonresident license to submit an application to NCCI for primary coverage. Additionally, a person submitting an application on behalf of an agency must have a Vermont resident or nonresident license.

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 *Basic Manual* Rule 4-D—Voluntary Coverage Assistance Program (**VCAP® Service**) for the applicable rules.

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 an 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 *Basic Manual* Rule 4-C—Loss Sensitive Rating Plan (LSRP) for the applicable rules.

Guide to Premium Calculation (for detailed information, refer to Vermont State Special Rules in NCCI's *Basic Manual*):

- Experience modification, if applicable
- Merit rating, if applicable
- Deductible Insurance, if applicable

Election/Rejection Under State Law:

Sole proprietors and partners are not automatically covered under the Act, but may elect coverage. Payroll must be included for any sole proprietor or partners electing coverage.

Executive officers and members/managers of limited liability companies are automatically covered under the Act, but may elect to exclude up to four executive officers or four members/managers by filing an Application for Exclusion (Form 29) with the Commissioner of Labor for approval. The form is available from the Department of Labor. Attach to the application a copy of the form. Payroll must be excluded for any corporate officers or members/managers of limited liability companies rejecting coverage. A corporate director who does not hold a corporate office and who is not an employee as defined under the Act is considered exempt and does not need an Application for Exclusion.

Note: Members/managers of limited liability companies are treated as executive officers for premium determination purposes in Vermont. Failure to file the appropriate forms for election or rejection status in accordance with state laws may result in additional premium being charged and collected by the Plan Administrator or the assigned carrier.

Volunteers

No volunteers are automatically covered under the Act.

The following volunteers are not automatically covered under the Act, but the employer may elect coverage:

- Volunteer reserve police officers of towns and incorporated villages when the selectmen or trustees vote to have those officers covered
- Volunteer municipal firefighters, rescue squads, and ambulance squads after the governing officials of such municipal body so vote
- Volunteer private fire department, private rescue squad, and private ambulance squad after the organization elects to have its members covered

Refer to the Department of Labor and Industry at www.labor.vermont.gov for the most current rules, regulations, and forms.

Note: This information applies only to Vermont 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) Arrangement applications, refer to NCCI's *Basic Manual Rule 4-B—Professional Employer Organization (PEO) Arrangements for the applicable rules. Obtain forms from NCCI.*

- 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
 - 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
 - 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

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		