

THIRD PARTY ADMINISTRATOR LICENSE APPLICATION

The information that you furnish on this form will be used by the Minnesota Commerce Department to assess your qualifications for a third party administrator license, pursuant to Minnesota Statutes 60A.23, Subd. 8 and Minnesota Rules Chapter 2767. You are not legally required to provide this information. However, if you fail to do so, the Commerce Department will be unable to grant a license. Every three years, a license fee of \$1,500 in the form of a check or money order, made payable to the Minnesota Commerce Department, must accompany the application. The completed application and any questions may be addressed to Tuan Tran at 85 7th Place East, Suite 500, St. Paul, MN 55101-2198; Telephone: (651) 539-1748 Fax: (651) 539-1550. **PLEASE BE AWARE THAT THE ANNUAL ACTIVITY REPORT IS DUE MARCH 1ST OF EACH YEAR.**

Renewal Application _____

License No. (if renewal)

New Application _____

1. Name of applicant, including all "dba" names. (Only one entity may be listed; do not include affiliates. A separate license application must be submitted for each affiliate and subsidiary that desires to be licensed.):

2. Date organization was formed: _____
3. Federal Tax Identification Number: _____
4. Address of home office:
5. Address and telephone numbers of all Minnesota divisions or branch offices. (If more space is needed, please submit this information on a separate sheet and show as Attachment #5):
6. Name, title, address, telephone number, 800# (if available) and e-mail address of person to contact regarding application of license:

7. Name and address of parent company, if any:

8. Ownership form/management:

___ Sole Proprietorship. Name of owner: _____

___ Partnership. Names of all general partners:

___ Corporation. Names and Titles of all corporate officers:

9. Services to be offered:

Complete the following to indicate which types of plans you wish to service, and the types of employers you wish to contract with:

Check one or more insurance type:

- I. ___ Life
- II. ___ Accident/Health/Medical/
Hospital Care/Sickness/
Disability/Dental/Pharmacy
- III. ___ Workers Compensation
- IV. ___ Other Liability
- V. ___ Property or Casualty

Check one or more client type:

- A. Individual Commercial Employers
- B. Group of Commercial Employers (Pools)
- C. Individual Political Subdivisions
- D. Groups of Political Subdivisions (Pools)
- E. _____

Plans Worked With:

- a. Insured Plans
- b. Self-Insured Plans

10. Services/Staff: Complete each section for which license is sought.

- Provide a resume for each key employee. Note that only one resume is required for each type of service provided. Resumes **must** state the person's name, resident address, licensing history, and qualifications and experience relating to the work to be performed.
- If work is to be performed by a subcontractor; attach resume of key employees of the subcontractor.

Are any subcontractors affiliated with the applicant? Yes___ No___
(In the subcontractor's resume, please indicate any affiliation.)

A. Life-Accident-Health

- ___1. Accounting Services/Record Retention
Key employee/Subcontractor: _____
(attach resume)

- ___2. Actuarial Service
Key employee/Subcontractor: _____
(attach resume)

- ___3. Claims Administration
Key employee/Subcontractor: _____
(attach resume)

- ___4. General Administration
Key employee/Subcontractor: _____
(attach resume)

- ___5. Insurance Services
Key employee/Subcontractor: _____
(attach resume)

- ___6. Legal Services
Key employee/Subcontractor: _____
(attach resume)

- ___7. Loss Control and Safety Services
Key employee/Subcontractor: _____
(attach resume)

- ___8. Rehabilitation Services
Key employee/Subcontractor: _____
(attach resume)

- ___9. Risk Management and Analysis Services
Key employee/Subcontractor: _____
(attach resume)

- ___10. Other Services (Describe specifically in Attachment 9A)
Key employee/Subcontractor: _____
(attach resume)

B. Workers Compensation/Other Liability/Property-Casualty

___1. Accounting Services
Key employee/Subcontractor: _____
(attach resume)

___2. Actuarial Services
Key employee/Subcontractor: _____
(attach resume)

___3. Claims Administration
Key employee/Subcontractor: _____
(attach resume)

a.) Attach resume which must detail the experience of the supervisor who has at least three years experience adjusting claims.

b.) Attach copy of resident adjuster's Minnesota license, issued pursuant to Minn. Stat. Ch. 72B. (Label the Attachment 10B3)

___4. General Administration
Key employee/Subcontractor: _____
(attach resume)

___5. Insurance Services
Key employee/Subcontractor: _____
(attach resume)

___6. Legal Services
Key employee/Subcontractor: _____
(attach resume)

___7. Loss Control and Safety Services
Key employee/Subcontractor: _____
(attach resume)

___8. Rehabilitation Services
Key employee/Subcontractor: _____
(attach resume)

___9. Risk Management and Analysis Service
Key employee/Subcontractor: _____
(attach resume)

___10. Other Services (Describe specifically and show as Attachment 10B.10)
Key employee/Subcontractor: _____
(attach resume)

11. A. Will the administrator, its employees or its subcontractors be involved in collecting money and/or making claims payments? Yes___ No___
- B. Are the funds of the administrator's claims paying account (or fiduciary account) commingled? Yes___ No___

C. State the average daily balance of all trust accounts for Minnesota clients:
\$ _____.

D. List the name of every person involved in collecting money and/or making claim payments. (Include additional names on a separate sheet and show as Attachment #11D)

Name: _____ Amount authorized: \$ _____.

Name: _____ Amount authorized: \$ _____.

Name: _____ Amount authorized: \$ _____.

12. Attach copy of a fidelity bond or crime policy (including insuring agreements) which covers the actions of all persons subject to the bond as to their handling of client's money as well as the administrator's money (Attachment #12). The bond must cover losses from (1) employee dishonesty, (2) theft, and (3) forgery or alteration. The fidelity bond must be in an amount as required by Minn. Rule 2767.0900. The fidelity bond must specifically cover:

- A) all officers of the company, and
- B) all persons involved in collecting money and/or making claims payments, as listed in Question 11D above.

13. Have there been any consent orders, violations or investigations by any governmental agency concerning the company, owner, any employee, shareholder, or officer of the administrator, or any subcontractor or subcontractor's employee? Yes___ No___ If yes, fully describe on separate sheet and show as Attachment #13.
14. Name and address of a Minnesota company or resident who is authorized to accept service of process. (Note: A name must be provided)

15. A. New Applications

Submit financial statements for the administrator for the last three fiscal years. For the purpose of new applications, "Financial statements" means an income and expense statement along with a balance sheet.

- If the administrator's most recent fiscal year ended more than six months prior to this application, a company officer must submit an affidavit, signed and sworn to under oath, which describes any material change in the net worth or financial condition of the company since the last financial statement.
- If applicant has been in business less than three years, financial statements must be submitted for that entire period.

B. Renewal Applications

Financial statements for the previous three years, including a CERTIFIED financial statement for the most recent fiscal year. (If the PARENT company is the guarantor, then submit CERTIFIED financial statements for the PARENT company in lieu of the TPA). Certified financial statement for a period ending more than six months prior to the date of the application must be accompanied by an AFFIDAVIT signed by a company officer under OATH describing any material change in the net worth or financial condition of the applicant since the date of the certified financial statement.

C. Definition of Certified Financial Statements

CERTIFIED financial statements means: “Whenever used in Chapters 45 to 83, or Rules adopted thereunder, the term “CERTIFIED” as applied to balance sheets, profit and loss statements or other financial statements shall be construed as meaning an AUDITED financial statement prepared in accordance with Generally Accepted Accounting Principles that has been examined by an independent Certified Public Accountant for the purpose of expressing an opinion. The opinion by the Certified Public Accountant SHALL contain a statement that it fairly represents the financial position of the organization or person.”

- 16. Provide a list of names and addresses of all companies that you provide services for in Minnesota. (Mark this Attachment #16)

- 17. Attach a copy of the Declarations page of the workers’ compensation insurance policy covering the applicant for its operations in Minnesota, pursuant to Minn. Stat. 176.182. (Mark this as Attachment #17)

- 18. Complete the information on Attachment #18, if available.

- 19. Total annual TPA revenues received from Minnesota clients. (nearest thousand)
\$_____.

- 20. Does the applicant use a utilization review company? Yes___ No___
If “Yes”, please give the name of the utilization review company:

- 21. Does the applicant use the employees of their parent, subsidiary or affiliate company to perform any of the work or services provided by the applicant? Yes___ No___ If “yes” please advise as to the approximate percentage of the work and services performed by employees of the applicant’s parent, subsidiary or affiliate. _____%

CERTIFICATION:

I certify that this document and all attachments were prepared under my direction or supervision, that I have the authority to submit this application, and that the information submitted is true, accurate, and complete to the best of my knowledge and belief.

Name of applicant company

By: _____
Name

Its: _____
Title (must be owner, President or Secretary

STATE OF _____)
COUNTY OF _____)

Acknowledged before me this ___ day
of _____, 20____.

Notary Public

My commission expires _____

NOTICE

Pursuant to Laws of Minnesota, 1984, Chapter 502, Article 8, Section 2 (270C.72) (Tax Clearance; Issuance of Licenses), the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number and the social security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance or renewal of your license in the event you owe Minnesota sales, employer's withholding or motor vehicle excise taxes;
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Agreement the Department of Revenue may supply this information to the Internal Revenue Service;
3. **FAILURE TO SUPPLY THIS INFORMATION MAY JEOPARDIZE OR DELAY THE PROCESSING OF YOUR LICENSE ISSUANCE OR RENEWAL APPLICATION.**

Please supply the following information and return along with your application to the licensing authority.

Business Name	
Business Address	City, State, Zip Code
Minnesota Tax Identification Number	

IF YOU WISH TO USE THE PARENT COMPANY'S CERTIFIED FINANCIAL STATEMENTS, WE WILL NEED STATEMENTS FOR THE LAST THREE YEARS AND THE ATTACHED GUARANTEE OF PERFORMANCE COMPLETED.

IN ADDITION, A RESOLUTION BY THE BOARD OF DIRECTORS AUTHORIZING EXECUTION OF THE GUARANTEE OF PERFORMANCE IS REQUIRED.

**GUARANTEE OF PERFORMANCE
FOR
THIRD PARTY ADMINISTRATOR**

For value received, _____, (hereinafter "Corporate
(Parent)
Guarantor") located at _____, absolutely and unconditionally
(Address)
guarantees the performance by its wholly owned subsidiary, _____
(Subsidiary)
(hereinafter "Administrator") located at _____, of all obligations
(Address)
of the Administrator in accordance with the terms and conditions of its third party administrator
registration in the State of Minnesota pursuant to Minn. Stat. 60A.23, Subd. 8, dated
_____ and of all agreements entered into
(date of issuance or renewal of license)
in Minnesota by the Administrator as a third party administrator, as such agreements have been or may
hereafter be amended, modified, renewed or extended from time to time. This guarantee shall continue
in force until all obligations of the Administrator under the said third party administrator registration and
third party administrator agreements shall have been satisfied or completely discharged, whichever first
occurs. The Corporate Guarantor shall not be discharged from liability hereunder as long as any claims
against the Administrator for obligations incurred as a third party administrator remain

outstanding. This guarantee shall be binding on the Corporate Guarantor and on its successors and assigns. If the Corporate Guarantor ceases to be an affiliate, the Corporate Guarantor shall give 30 days written notice to the Administrator and to the Minnesota Commissioner of Commerce at 85 7th Place East, Suite 500, St. Paul, MN 55101-2198.

In witness whereof, the Corporate Guarantor has, by a duly authorized officer, executed this guarantee at _____ on this _____ day of _____, 20_____.

(Corporate Guarantor)

By: _____

Its: _____

(ATTACH RESOLUTION OF BOARD OF DIRECTORS AUTHORIZING EXECUTION)

STATE OF _____)

COUNTY OF _____)

Acknowledged before me this

_____ day of _____, 20 _____.

Notary Public

My commission expires _____