

**Part I. - General**

A. For purposes of this rule, "third party administrator" (hereafter TPA) means any person, firm, or partnership which collects or charges premiums or fees, or receives remuneration in any form in exchange for adjusting or settling claims, or otherwise providing administrative services concerning workers' compensation coverage in this State. The term does not include:

1. companies which are licensed workers' compensation carriers, except to the extent that they engage in claims and administrative activities for which they or companies, including self-insurers, in their corporate family do not bear a direct risk.
2. self-insurers which self administer their claims and administrative activities, except to the extent that they engage in claims and administrative activities for which they or companies, including licensed workers' compensation carriers, in their corporate family do not bear a direct risk.
3. attorneys engaged in the representation of claimants or respondents in cases of controverted workers' compensation claims.

B. Any TPA, that has applied for or received authorization from the Commission, shall at all times meet the following conditions:

1. The owners, partners, members, or officers of the TPA, shall be persons of good moral character with reputations for honesty and fair dealings.
2. The TPA must have a sufficient number of experienced and qualified claims personnel. In order to represent a group self-insurer client, the TPA must maintain an Arkansas claims office and have at least one resident adjuster with check authority.
3. The TPA shall provide, at the Commission's request, written proof of compliance with the conditions set forth in items 1 and 2 above. When received by the Commission, such documentation shall be considered of a confidential nature.
4. The TPA shall continuously maintain with the Commission a current listing of all claim office locations handling Arkansas workers' compensation claims as well as a contact person/information for such locations.
5. The TPA shall, at the request of the Commission, provide a list of clients for which Arkansas claims handling is offered. When received by the Commission, such documentation shall be considered as being of a confidential nature.

**Part II - Applications**

A. Any firm desiring authorization to act as a TPA for workers' compensation purposes shall:

1. Make application to the Commission on such forms as may be prescribed.

2. Remit an application fee of one hundred dollars (\$100) payable to the Arkansas Workers Compensation Commission. This fee will not be refunded, regardless of the disposition of the application.

3. Receive authorization from the Commission prior to contracting with any client to provide claims handling services for Arkansas workers' compensation claims.

### Part III - Renewals

A. Certificates of Authority to act as a TPA for workers' compensation purposes shall expire annually on September 30. Any firm desiring to continue its authorization to act as a TPA from the Commission shall annually renew such authority. Such renewal shall consist of:

1. Remittance of a renewal fee in the amount of one hundred dollars (\$100) payable to the Arkansas Workers' Compensation Commission. Any TPA having made application and receiving approval from the Commission with an effective date from August 1 to September 30, may at the Commission's discretion, have the first renewal fee waived.

2. Submission of a certified listing of all locations, location contact persons, location contact information, company's renewal contact person and contact information.

3. Submission of the above items and any additional documentation required by the Commission shall be submitted no later than September 1 of the year in question.

### Part IV - Termination or Revocation of Authority

A. Termination by the TPA - Any TPA may surrender its authority by notifying the Commission in writing of the effective date of such termination.

B. Revocation by the Commission - Failure to comply with any of the foregoing rules or any order of the Commission within the time prescribed shall be considered good cause for revocation of the TPA authority. The Commission shall give prior written notice of such revocation. The TPA shall have fifteen (15) days from the date of mailing to request a hearing. Failure to request a hearing within the time prescribed shall result in the revocation becoming effective thirty (30) days from the date of mailing of the original notice. In no event shall the revocation of the certificate of authority be effective prior to the date that the hearing on the question is scheduled. Such notice shall be served personally or by certified or registered mail upon all interested parties.

**(Approved August 29, 2001; effective September 20, 2001. revised effective January 1, 2006)**