

**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
OF THE STATE OF TENNESSEE**

IN THE MATTER OF:)

WORKERS' COMPENSATION SELF-INSURANCE)
GROUP FUND OF COMPTRUSTAGC TENNESSEE)

TID No.: 19-132

ORDER ADOPTING EXAMINATION REPORT

Pursuant to Tenn. Code Ann. §§ 56-1-401 *et seq.*, the Insurance Division of the State of Tennessee Department of Commerce and Insurance (“Division”) has examined certain affairs of Workers’ Compensation Self-Insurance Group Fund of CompTrustAGC Tennessee (“Company”), an insurance company domiciled in the State of Tennessee. As a result of an examination conducted as of March 31, 2018, the examiner-in-charge filed a verified, written report on the examination with the Division on July 12, 2019. A copy of that report was sent to the Company. (The Report on Examination of the Company is attached hereto and marked as Exhibit A).

The Division received a response regarding the report from the Company dated September 23, 2019. (The written response submitted by the Company is attached hereto and marked as Exhibit B).

Pursuant to Tenn. Code Ann. § 56-1-411, the examination report regarding the affairs of the Company filed with the Division on July 12, 2019, is hereby **ADOPTED** as filed with the following **DIRECTIVES** (references are to rules in effect at the time of the examination):

1. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-3-408(b)(1) by ensuring all investment activities are reviewed and approved by the Board of Trustees of the Company.

2. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0780-01-46-.02(g), (j), and (n) by adding previously omitted language and entering into a new or amended custodial agreement with Pinnacle National Bank.
3. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 1700-02-01-.02(1) and Tenn. Code Ann. § 66-29-123 by reporting all unclaimed property held by the Company to the State Treasurer as required.
4. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-6-115 by appropriately appointing all producers who sell policies on the Company's behalf, should the Company resume selling policies.
5. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(1) by, at all times, making verbal or written contact with claimants within two (2) working days to confirm information related to claims.
6. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(2) by, at all times, contacting the employer within two (2) working days of file assignment to confirm the facts of claims.
7. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(4) by, at all times, contacting physicians who rendered medical services within seventy-two (72) hours of file assignment.
8. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(6) by, at all times, considering the possibility of third-party subrogation or developing a strategy to obtain needed evidence.
9. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(7) by, at all times, issuing decisions on coverage and compensability

within fifteen (15) days of notice of an accident, or notifying claimants and employers of the decision of compensability within fifteen (15) days.

10. The Company is **DIRECTED** to comply with Tenn. Comp. R. & Regs. 0800-02-14-.04(8) by, at all times, filing Form C-23 (Notice of Denial of Benefits) or providing a copy of such form to the claimant within ten (10) days of denial, and to comply with all claims handling standards.

11. The Company is **DIRECTED** to comply with Tenn. Code Ann. § 56-8-104(11) by, at all times, developing and maintaining a complete record of all complaints.

The company shall comply with the Directives contained in this Order within thirty (30) days of its entry.

The adoption of this examination report shall not preclude the Department from imposing sanctions against the Company for potential violations of the Tennessee insurance law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report merely to adopt the examination report filed by the examiner-in-charge.

It is so **ORDERED**.

ENTERED this the 26 day of September, 2019.


Carter Lawrence, Interim Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

A handwritten signature in blue ink, appearing to read "Patrick Merkel", is written over a horizontal line.

Patrick Merkel, BPR #022191

Chief Counsel for Insurance

Tennessee Department of Commerce and Insurance

500 James Robertson Parkway

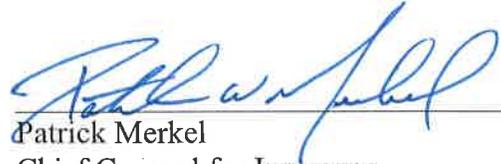
Davy Crockett Tower, 12th Floor

Nashville, Tennessee 37243

(615) 532-6830

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Order Adopting Examination Report as filed has been emailed to: Rachel Jrade-Rice, Assistant Commissioner for Insurance, Department of Commerce and Insurance at rachel.jrade-rice@tn.gov; and mailed first class, postage prepaid, to Workers' Compensation Self-Insurance Group Fund of CompTrustAGC Tennessee, 901 Woodland Street, Nashville, Tennessee 37206, on this the 27th day of September, 2019.



Patrick Merkel
Chief Counsel for Insurance

EXHIBIT A