

**THIRD PARTY BENEFIT PLAN ADMINISTRATORS/CONSULTANTS  
SUPPLEMENTAL APPLICATION**

1. Give approximate percentage of revenues derived from all operations engaged in:

<b>OPERATIONS</b>	<b>% OF PROJECTED REVENUES</b>	<b>IF COVERAGE IS DESIRED CHECK HERE</b>
Providing Consulting Services	_____	_____
Providing Actuarial Services	_____	_____
Administration of Health & Welfare Plans (specify type)		
- Single Employer Plans	_____	_____
- Multiemployer Benefit Plans (Taft-Hartley Trusts)	_____	_____
- Multiple Employer Welfare Arrangements (MEWAs)	_____	_____
Administration of Pension Plans	_____	_____
The design, development or customization of computer software sold or provided to third parties outside the normal operations of the applicant as a TPA	_____	_____
Other _____	_____	_____
Total must equal	100%	

2. a. Number of Plan sponsors: \_\_\_\_\_
- b. Number of participants for the Plans administered by the Applicant: \_\_\_\_\_
- c. Total annual contributions to the Plans administered by the Applicant: \_\_\_\_\_
- d. Total annual benefit payments issued in the Applicant's administration of all such plans:  
\_\_\_\_\_
- e. Number of Plan Sponsors added and deleted in the past year: \_\_\_\_\_
- f. What percentage of all Plans are:
- Self funded with stop-loss? \_\_\_\_\_%
  - Self funded with no stop-loss? \_\_\_\_\_%
  - Fully insured? \_\_\_\_\_%
- g. List carriers that stop-loss coverages are placed with:
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

3. Does the applicant firm, its partners, directors, officers or employees act as trustee for the Employee Benefit Plans clients or non clients? ( ) YES ( ) NO

4. a. Name and address of law firm(s) acting as counsel to the applicant firm and nature of services provided: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

b. Name and address of all firms providing accounting services to the applicant and the nature of services provided: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Does the applicant have a fidelity bond? ( ) YES ( ) NO  
If NO, do your clients list you as an additional insured under their Fidelity Coverage?  
( ) YES ( ) NO

6. Please outline below the applicant firm's standards of practice (procedural protocols).

a. Do you have written guidelines for the administration of each of your Plans, including your procedure for denial of benefits? ( ) YES ( ) NO

b. What percentage of claims are denied? \_\_\_\_\_%

c. What percentage of denials are appealed? \_\_\_\_\_%

d. What is the average error rate of your claims handlers? \_\_\_\_\_%

7. a. Which of the following are function of your firm's Electronic Data Processing System?  
(Please check all that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> Calculation of Co-payments                   | <input type="checkbox"/> Calculation of Deductibles   |
| <input type="checkbox"/> Claim Eligibility                            | <input type="checkbox"/> Confidentiality Safeguards   |
| <input type="checkbox"/> Enrollment Information                       | <input type="checkbox"/> Monitoring of Duplicate Claims                                     |
| <input type="checkbox"/> Management Reports                           | <input type="checkbox"/> Claim Appeals tracking   |
| <input type="checkbox"/> Adjustors Accuracy                           | <input type="checkbox"/> Check Registers (weekly & monthly)                                 |
| <input type="checkbox"/> Analysis of Large Claims                     | <input type="checkbox"/> Payment Registers and analysis                                     |
| <input type="checkbox"/> Notices to Stop-Loss Carriers                | <input type="checkbox"/> Monthly Aggregation Reports to Carrier<br>(by claim or agg & spec) |
| <input type="checkbox"/> Productivity Reports                         | <input type="checkbox"/> Claim analysis summaries by Year                                   |
| <input type="checkbox"/> Claim payments by Plan Year                  | <input type="checkbox"/> Time & materials analysis  |
| <input type="checkbox"/> Telephone Tracking System                    | <input type="checkbox"/> Cost containment results   |
| <input type="checkbox"/> Total Calls Received                         | <input type="checkbox"/> Expense analysis   |
| <input type="checkbox"/> Call backs due to claim handling<br>problems | <input type="checkbox"/> Analysis of Loss causes  |
| <input type="checkbox"/> Turn around time                             |   |

b. If your system contains checks and balances to guard against the following, please note them with a check-mark:

- |   |  |
|---|--|
| <input type="checkbox"/> Overpayments                 | <input type="checkbox"/> Underpayments                                       |
| <input type="checkbox"/> Late Payments                | <input type="checkbox"/> Payments from incorrect Plan                        |
| <input type="checkbox"/> Payments to ineligible       | <input type="checkbox"/> Unfair/unjust enrichment                            |
| <input type="checkbox"/> Improper refusal of benefits | <input type="checkbox"/> Failure to follow payment guidelines or procedures. |

8. How often does your organization do an internal audit? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

What situations are the audit guidelines designed to reveal? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. What is your average turnaround time for benefits claim processing?

This year: \_\_\_\_\_ days      Last year: \_\_\_\_\_ days

It is understood and agreed that this supplemental application shall become a part of the application for Professional Liability Errors & Omissions Insurance.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Signature of person authorized to execute on behalf of the Applicant