

# Producer Guide

**Workers' Compensation and Employers' Liability Insurance**

# COVERAGE @ WORK

"New Mexico Mutual understands your commitment in guiding clients to identify the right workers' compensation coverage and risk management services to meet their specific needs. We want to be your partner of choice as your business grows."

- Norm Becker, President and CEO

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# 1. Contact Information

## General Contact Information

Physical Address..... 3900 Singer Blvd. NE  
Albuquerque, NM 87109

Main Office Number..... 505.345.7260

Toll-Free Number..... 800.788.8851

General Fax..... 505.345.0816

Mailing Address..... PO Box 27825  
Albuquerque NM, 87125-7825

Web Address..... newmexicomutual.com

## Claims Contact Information

Claims Mailing Address..... PO Box 27810  
Albuquerque, NM 87125

Claims Number..... 505.343.7777

Spanish Direct Number..... 505.343.7711

Claims Fax (E-1s)..... 505.345.0656

Claims Bill Review Fax..... 505.348.9859

Claims Email..... claims@newmexicomutual.com

## Billing Contact Information

Billing Mailing Address..... PO Box 27805  
Albuquerque, NM 87125

Billing Number..... 505.343.7744

Billing Fax..... 505.348.9877

Billing Email..... billing@newmexicomutual.com

## Audit Contact Information

Audit Number..... 505.345.7260

Audit Fax..... 505.348.9825

Audit Email..... audit@newmexicomutual.com

## Underwriting Contact Information

Underwriting Number..... 505.343.7722

Underwriting Fax..... 505.345.3451

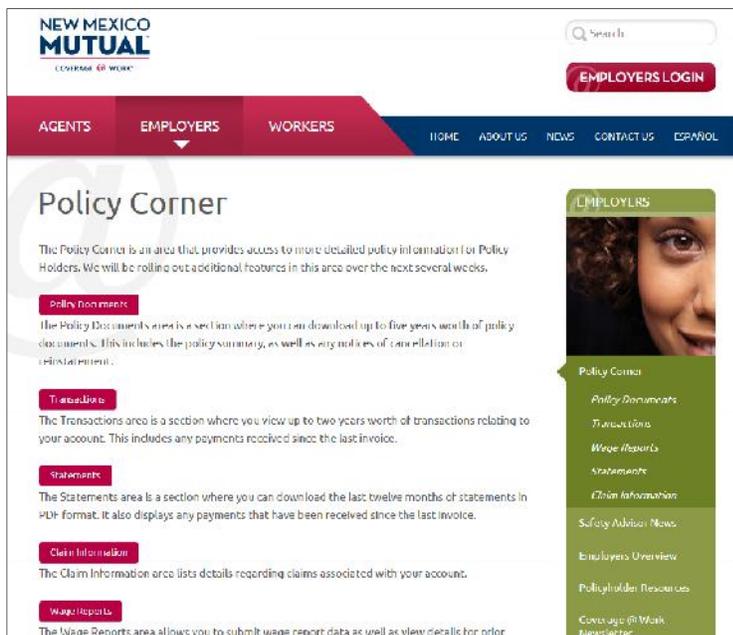
Underwriting Email..... underwriting@newmexicomutual.com

## 2. New Mexico Mutual Website Home Page

The New Mexico Mutual website has a variety of tools for employers and workers in both English and Spanish, news relating to the industry and New Mexico Mutual, policy documents and listings of upcoming safety trainings.



<https://www.newmexicomutual.com>



### Policy Corner

Policy Corner is a self-service area of our website for policyholders. It provides access to more detailed policy information, such as policy documents, billing transactions, account statements, and claims summaries. New Mexico Mutual representatives are available to assist with any policy questions. Our main office number is **(505) 345-7260**.

### 3. Marketing

#### New Mexico Agency Appointments

State law requires that you must be appointed with New Mexico Mutual before soliciting, negotiating or procuring new or renewal insurance on your client's behalf with New Mexico Mutual.

Our Marketing Department can assist you in executing an appointment agreement with New Mexico Mutual. You will need to provide us with the following information to obtain your appointment:

##### Marketing Contact Information

###### Marketing General Email

Marketing@newmexicomutal.com

**Susan Kittredge**, MBA, ChFC®, CLU®, LUTCF  
Director of Marketing & Communications  
505.343.2844 susank@newmexicomutal.com

**Bob Taylor**, AAI, Marketing Representative  
505.343.2849 bobt@newmexicomutal.com

**Felicia Nieto**, Marketing Specialist  
505.343.2831 felician@newmexicomutal.com

**Claudia Sanchez**  
Senior Business Development Associate  
505.343.7725 cladias@newmexicomutal.com

##### Agency Appointment Information

- Valid New Mexico Agent's license
- Completed application
- Social Security Number
- Date of Birth
- Valid Errors and Omissions coverage.

\* Non-New Mexico Agent licenses cannot be substituted for a New Mexico Agent license.

Please review, sign and return the Agency Appointment Agreement, which describes the terms and conditions of our business relationship with you and your agency. For questions, please contact our Marketing Department at **Marketing@newmexicomutal.com** or by phone at **505.343.2831**.

## **Out-of-State Agency Appointments**

Please contact Marketing to obtain instructions on becoming appointed with our out-of-state carrier, Workers Compensation Fund (WCF Insurance).

## **Errors & Omissions Documentation**

On an annual basis, every agency must submit their renewed E&O Insurance declaration page to New Mexico Mutual. This paperwork should be submitted to the Marketing Department at [felician@newmexicomutual.com](mailto:felician@newmexicomutual.com).

## **Commissions**

Please reference your **Independent Agency Appointment Agreement** for details on the terms and conditions for commissions paid.

## 4. Underwriting

Each agency office is assigned a dedicated Underwriter. Please refer to the New Mexico Mutual system or contact New Mexico Mutual's Marketing department to identify your assigned Underwriter.

### Underwriting Contact Information

**Kristen Carey**, Director of Underwriting  
505.343.2834      kristenc@newmexicomutual.com

**Tonya Huelskamp**, CIC, CISR, Underwriting Manager  
505.343.2804      tonayh@newmexicomutual.com

**Cynthia Luna**, MBA, Underwriter Supervisor  
505.343.2839      cynthial@newmexicomutual.com

**Gerald Clifford**, ARM, Senior Underwriter  
505.343.2885      gerald@newmexicomutual.com

**Diana Padilla**, ACIC, CISR, Senior Underwriter  
505.343.7757      dianap@newmexicomutual.com

**Evelyn Symonds**, CIC, Senior Underwriter  
505.343.2827      evelyns@newmexicomutual.com

**Rebecca Martinez**, CIC, CISR, Underwriter II  
505.343.2883      beckym@newmexicomutual.com

**N'nette Viecz**, MBA, Underwriter II  
505.343.2888      nnettev@newmexicomutual.com

**Emma Bland**, CPCU, RPLU, Underwriter I  
505.343.2867      emmab@newmexicomutual.com

**Natasha Singh**, AIAM, CIC, Underwriting Liaison  
505.343.2845      natashas@newmexicomutual.com

**Bruce Ranke**, Underwriter I  
505.343.2894      brucer@NewMexicoMutual.com

# New Mexico Mutual Group Rating Companies

New Mexico Mutual Group rating companies have been established to provide competitive pricing options for the specific risk exposures of your clients based upon account characteristics. Below please find general Underwriting Guidelines for each rating company. This document can also be found on our website (**Agent tab > Underwriting**).



**New Mexico Commercial Insurance Company**

**Risk Type**  
Most Preferred  
**CI**

- Qualifications**
- Most preferred risks within industry
  - Formal written safety program
  - 3 years prior coverage
  - 5 years industry experience
  - Adequate payroll for exposure

**New Mexico Employers Assurance Company**

**Risk Type**  
Average  
**EM**

- Qualifications**
- Average risks within industry
  - Informal safety program
  - 1 year prior coverage
  - 1 year industry experience

**New Mexico Premier Insurance Company**

**Risk Type**  
More Preferred  
**PR**

- Qualifications**
- More preferred risks within industry
  - Formal written safety program
  - 3 years prior coverage
  - 5 years industry experience
  - Adequate payroll for exposure

**New Mexico Southwest Casualty Company**

**Risk Type**  
Slightly Below Average  
**SW**

- Qualifications**
- Slightly below average risks within industry
  - Informal safety program
  - No prior coverage
  - 1 year industry experience

**New Mexico Assurance Company**

**Risk Type**  
Preferred  
**AS**

- Qualifications**
- Preferred risks within industry
  - Formal written safety program
  - 3 years prior coverage
  - 3 years industry experience
  - Adequate payroll for exposure

**New Mexico Safety Insurance Company**

**Risk Type**  
Below Average  
**SC**

- Qualifications**
- Below average risks within industry
  - Limited to no safety program
  - No prior coverage
  - 1 year industry experience

**New Mexico Mutual Casualty Company**

**Risk Type**  
Above Average  
**NM**

- Qualifications**
- Above average risks within industry
  - Informal safety program
  - 2 years prior coverage
  - 3 years industry experience
  - Adequate payroll for exposure

**New Mexico Foundation Insurance Company**

**Risk Type**  
Substantially Below Average  
**FR**

- Qualifications**
- Substantially below average risks within industry
  - Limited to no safety program
  - No prior coverage
  - No prior experience

**New Mexico Security Insurance Company**

**Risk Type**  
Slightly Above Average  
**SI**

- Qualifications**
- Slightly above average risks within industry
  - Informal safety program
  - 2 years prior coverage
  - 3 years industry experience
  - Adequate payroll for exposure

**New Mexico Business Insurance Company**

**Risk Type**  
Least Preferred  
**BI**

- Qualifications**
- Least preferred risks within industry
  - No safety program
  - No prior coverage
  - No prior experience

Company selection is subject to underwriter discretion.

# General Underwriting Information

## Rates & Premium Determination

Effective filed rates for all New Mexico Mutual Group rating companies can be found on New Mexico Mutual's online policy system. New Mexico Mutual makes premium determinations in accordance with the NCCI Basic Manual of rules, rates, rating plans and classifications filed with and approved by the New Mexico Office of the Superintendent of Insurance.

## Submissions

The underwriting and approval of all submission will be performed by New Mexico Mutual. All applications must be submitted through New Mexico Mutual's PolicyCenter system. Additional information, including loss runs, experience modification worksheets, or in some instances EZ Quote forms can be emailed or faxed to your assigned Underwriter. Document Upload is available within the New Mexico Mutual PolicyCenter system as well.

### Detailed Underwriting Information

- Complete description of operations
- Accurate ownership
- Safety controls
- Loss Runs with claim details
- Ex-Mod Worksheets

To assist New Mexico Mutual in providing timely quote turnaround and competitive pricing, submissions should contain detailed information about the account, operations, etc.

Producers will have some binding authority on small accounts through the New Mexico Mutual PolicyCenter system. On larger accounts, Producers will not have binding authority until the application is approved by Underwriting. After an application is approved, the may bind the application on the Payment screen in the New Mexico Mutual's PolicyCenter system after Print Quote has been selected. This will generate a binder that is valid for 30 days from the effective date. Once the down payment has been received the system will then issue the policy. All required binding documentation should be uploaded, faxed, or emailed to the Underwriter.

## **EZ Quote Underwriting Program**

The EZ Quote Underwriting Program allows Producers and clients to know exactly what underwriting information is needed prior to submitting an account. The program is designed to reduce quote turnaround time by limiting the number of process transactions needed to efficiently obtain underwriting information, and allow for New Mexico Mutual's best pricing options.

The forms are industry specific and simple to complete. The forms are in fillable PDF format and accessible through New Mexico Mutual's system using several Adobe Versions. In order to save completed versions of the form, Adobe XI is required. Authors are able to scroll through the forms and type responses. The forms can then be emailed to the Underwriter or uploaded through PolicyCenter along with Basic Underwriting Information. The EZ Quote Underwriting Forms are not required to receive a quote, but will improve your underwriting service experience. Additional questions may be asked as needed. For any questions, please contact your assigned New Mexico Mutual.

**EZ Quote forms are located on our website (Agent tab > Underwriting).**

### **EZ Quote Forms**

- Alarm/Security
- Auto Shop & Auto Dealers
- Contractors
- Farm & Ranch
- Healthcare
- Hospital
- Hospitality
- Manufacturing
- Municipalities
- Oil & Gas
- Restaurant
- Salvage/ Garbage Refuse
- Social Services
- Transportation

## Ineligible Classes and Operations

New Mexico Mutual maintains a broad risk appetite and insures 85% of all classification codes applicable in New Mexico. New Mexico Mutual's reinsurance treaty has a set list of **excluded** operations from our risk appetite.

### Excluded Operations

- Aircraft or Helicopter Operation
- Amusement Park Operations
- Asbestos Abatement Contractors
- Athletic Teams
- Atomic Energy & Nuclear Energy
- Blasting Agents
- Bridge or Tunnel Operation
- Chemical Blending or Manufacturing
- Coal Mining
- Dam or Lock Construction
- Dike Construction
- Explosives or Ammunition Manufacturing
- Fireworks Manufacturing
- Fireworks Exhibitions
- Long Haul Operations
- Marinas
- Marine Railway Operation
- Medical Marijuana Growing or Distribution
- Offshore Oil/Gas
- Ship Hulls Painting
- Oil Refining
- Pharmaceutical or Surgical Goods Mfg
- Subaqueous Work
- Underground Mining
- US Armed Forces Civilian Employees
- Wrecking Buildings and Structures
- Piers or Wharf Construction
- Tower erection

\*Exceptions may exist for exclusions, please contact your New Mexico Mutual Underwriter.

In addition, certain account characteristics can apply to any classification. The following account characteristics are **excluded** from New Mexico Mutual's risk appetite.

### Excluded Characteristics

- Significant prior cancellations due to non-payment of premium or non-compliance
- Contracting risk that generate a manual premium under \$1,000
- Contractors providing only supervisory personnel, class code 5606
- Adverse loss experience
- Extensive use of uninsured subcontractors
- Extensive use of independent contractors
- Agencies providing temporary workers unless such placement is clerical only
- Accounts that have extensive use of volunteers (at Underwriter discretion)
- Accounts without employees or payroll

## Issuance & Requirements

When binding a new account, a signed application form, along with the down payment, deductible form and any applicable ownership exclusion forms within 5 business days of binding should be sent to New Mexico Mutual.

### Required New Business Forms

- Signed Application
- Down Payment
- Signed Deductible Form
- Applicable Ownership Exclusion Forms

In addition, the applicable forms are generated in PolicyCenter once "***Print Quote***" button is selected and can be found in the **Document Screen**. The down payment may be paid online, called in to our Billing Department at **505.343.7744**, or mailed to **PO Box 27805 Albuquerque, NM 87125**.

## Multiple Submissions

When multiple agencies have provided a submission on the same account, identical quotes will be provided to all agencies. The first who obtains a ***signed application*** and down payment will be recognized as the Broker of Record.

If New Mexico Mutual declined an account during the last 60 days, and New Mexico Mutual subsequently receives information allowing a quote to be released, the declined agency will receive a quote.

New Mexico Mutual does not share agency information in the presence of duplicate submissions.

## Endorsements

All policy changes require Underwriting approval and must be submitted through PolicyCenter. Certain endorsements require change at the inception date of the policy, while other endorsements can be effective mid-term. The table references the applicable effective date of certain endorsements. Please contact your assigned Underwriter with any questions.

### Endorsement Effective Date Requirements

| Inception Date  | Day of Request    |
|-----------------|-------------------|
| Payroll         | Limit Changes     |
| Class Codes     | Waiver of         |
| Mailing Address | Subrogation       |
|                 | Location Address  |
|                 | Physical Address  |
|                 | Ownership Changes |

After the endorsement details have been entered into PolicyCenter, it is important to submit the policy change request to Underwriting for review and processing.

### Waiver of Our Right to Recover from Others Endorsement (Waiver of Subrogation)

Individual or Blanket Waivers of Subrogation are available. The charge for this endorsement is \$250 per policy term. This is a fully earned fee and cannot be removed from a policy mid-term.

### Alternate Employer Endorsement

The charge for this endorsement is \$25 per policy term. This is a fully earned fee and cannot be removed from a policy mid-term.

### Terrorism Endorsement

Terrorism Endorsement Statue (TRIPRA) can be found on each policy under endorsement WC 00 04 22 A. All policies are subject to a terrorism charge of \$0.01 per \$100 of payroll for policies effective in 2016 and forward

## Employers Liability

New Mexico Mutual provides three options of Employers Liability coverage.

- \$100,000/\$500,000/\$100,000
- \$500,000/\$500,000/\$500,000
- \$1,000,000/\$1,000,000/\$1,000,000

## Policy Renewals

New Mexico Mutual does not require new applications for renewal issuance unless requested by the Underwriter. Renewal policies will be released to the approximately 35 days prior to the renewal effective date. **Renewal Binders will be mailed to the insured, the policy will only issue once payment has been received. Please note that if the payment has not been received within thirty (3) days, a new submission will be required.**

## Agency Representation

The following procedures apply when a policyholder requests a change in agency representation.

| Effective Date   | Procedure  |
|------------------|--|
| <b>Renewal</b>   | When changing agencies at the renewal effective date, a signed BOR Acord form must be submitted by the new Broker of Record to New Mexico Mutual, <u>prior to the renewal effective date</u> in order for the new Broker of Record to receive commission for the renewal term. If the BOR Acord is not received prior to the renewal effective date, the representation change will be considered mid-term*.   |
| <b>*Mid-Term</b> | If an Broker of Record change is requested mid-term, the new agency may service the account, but receives no commission. Due to E&O consideration, copies of endorsements will continue to be sent to the expired Broker of Record. The interim-servicing Broker will also receive copies of all endorsements and will have access to all policy information. Upon renewal, the new agency will be recognized as the Broker of Record, and will begin receiving commissions. |

\* Note: The BOR Acord form must be signed by an owner or officer and the new Broker of Record.

## Loss Information

Policyholder loss runs are available for the, the Broker of Record, and the servicing Producer. Producers can access loss information through New Mexico Mutual's PolicyCenter. Once logged into the PolicyCenter, locate the Policy File using the search function to search by the name, account number or policy number. Once at the **Policy File**, on the **Summary screen** there will be a blue button with '**NMM Loss Runs**', selecting this will open a new window with the loss runs displayed. Please note that the initial page is an overview, to access detailed loss runs, select the number of claims for a specific policy term or the total, which will expand the claims in a new screen.

## Small Deductibles

Deductibles are an optional coverage. They may be a requirement if deemed to be necessary by the Underwriter. Deductibles will apply only upon policy inception and should be negotiated well in advance of the inception date. Mid-term changes, additions or deletions of deductibles cannot be made due to NCCI reporting issues.

Deductible coverage is added to a policy by attaching the **Benefits Deductible Endorsement**. Along with the **Benefits Deductible Endorsement**, New Mexico Mutual also requires the policyholder to sign a deductible election form. **The Deductible Election Form** is required whether the policyholder is accepting a new deductible, changing the deductible amount or deleting a deductible.

Changes to the deductible amount will only be applied at policy inception.

Deductibles must not be used simply as a method to achieve premium reduction. The policyholder must understand that they will be responsible for all loss amounts up to the chosen deductible amount for each claim.

### Small Deductible Options

- \$500
- \$1,000
- \$1,500
- \$2,000
- \$2,500
- \$5,000
- \$10,000

\*All deductible amounts must be relative to premium amounts. The standard premium should be approximately 2 1/2 times the deductible amount.

## Large Deductibles

New Mexico Mutual's large deductible program is a combined self-insurance and insurance program. The intent is to have the policyholder absorb the more predictable losses with an insurance company to back them up for the unpredictable losses. The maximum deductible available is \$250,000.

The minimum large deductible available is \$15,000 and the minimum aggregate limit is 100% of Standard Premium. Each deductible plan will be closely underwritten and require management approval prior to releasing a quote. The large deductible plan is not eligible for schedule credit.

### Large Deductible Requirements

- Unrestricted letter of credit
- Verifiable financial statements
- Minimum of \$100,000 premium
- Deductible security deposit
- 30 day lead-time

## Certificates of Insurance

New Mexico Mutual does not issue certificates of insurance nor does New Mexico Mutual maintain copies of certificates issued by s.

## Cancellations

There are two types of cancellations: pro-rate and short rate. Each cancellation request will be reviewed by Underwriting for approval. Cancellations are subject to the short rate cancellation penalty when coverage has been placed elsewhere. Other cancellation requests will be processed on a pro-rata basis. The cancellation condition of the Standard Policy permits cancellation by the policyholder or by the insurance carrier. The following table demonstrates the way premium is calculated for cancelled policy; please refer to Part 6 - Conditions D. Cancellation of the policy contract for additional information regarding cancellations.

If a cancellation is needed, please contact your assigned Underwriter.

## Reinstatements

All policy reinstatements are at Underwriter discretion. Policies cancelled for less than or up to 15 calendar days may be reinstated with no lapse in coverage. After 15 days, a rewrite will be required. Rewrites will require all audits and balances to be cleared before being offered.

## Entity Types

The New Mexico Workers' Compensation Act allows qualifying business owners to exclude themselves from coverage. The exclusion option for Partnerships, Sole Proprietors, LLC Members and Corporate officers are detailed below.

| Entity Types              |   |
|---------------------------|---|
| <b>Partnership</b>        | Partners are automatically excluded from coverage unless they elect to be covered. Partners can elect to be covered by providing a signed and notarized Election Form.  |
| <b>Sole Proprietors</b>   | Sole Proprietors are included in coverage unless they elect to be excluded. Sole Proprietors may exclude themselves by signing the Sole Proprietor Affirmative Election Form and returning the form to New Mexico Mutual.   |
| <b>Corporation or LLC</b> | Corporate officers and LLC members must maintain at least 10% ownership of the insured entity in order to be excluded. Members are included in coverage unless they elect to be excluded. Owners may exclude themselves by providing New Mexico Mutual the signed and notarized applicable election form. |

\*Corporate officers, or LLC refer to New Mexico Workers' Compensation Statutes 52-1-6 and 52-1-7 for details regarding owner and officer exclusions.

\*\*When an entity is completely owned by a trust, the trust owners may not exclude themselves from the entity's policy. If the trust owners are compensated by the entity, the trust owners may be considered employees of the entity.

Per NCCI's guidelines there are included payroll minimum and maximum amounts as follows:

| Type or Entity    | 2015      | 2016      | 2017      |
|-------------------|-----------|-----------|-----------|
| Sole Proprietor   | \$39,700  | \$40,800  | \$41,400  |
| LLC/Corp. Minimum | \$39,000  | \$41,600  | \$41,600  |
| LLC/Corp. Maximum | \$161,200 | \$161,200 | \$166,400 |

## ERM-14s

The ERM-14 Form - Confidential Request For Ownership Information is a form used by NCCI to determine the combinability of businesses and report ownership changes. This form can be requested by an Underwriter to determining combinability or other changes as outlined below. Please note that this form is available in on our Website (Agent tab > Underwriting) or directly from NCCI that has a fillable PDF. An ERM-14 is needed when:

- **Combination of Separate Entities** - if two or more entities share common majority ownership (more than 50% common majority ownership in each entity).
- **Change of Ownership** - if change in name, governing board, or ownership.
- **Merger or Consolidation** - if two or more entities are merged into one surviving entity, or if two or more entities are combined into one new entity.

Resources: [www.ncci.com](http://www.ncci.com) (ERM-14 Webinar available under Education)

## 5. Out-of-State Coverage Program

New Mexico Mutual partners with a third party carrier to provide out-of-state coverage options for New Mexico-based employers.

### Underwriting Guidelines

The following is needed in order for an account to qualify for an out-of-state quote with through this program.

- The agency must be licensed in the state where coverage is being placed.
- The entity must have a permanent physical New Mexico location.
- The entity must have a permanent out-of-state location (temporary locations are excluded).
- At least one out-of-state classification must contain payroll (if any policies are excluded).
- The New Mexico operations should generate approximately 51% of the total payroll.
- The New Mexico premium should exceed the out-of-state premium.

\*Loss runs are available upon request from your New Mexico Mutual Underwriter.

For general questions or concerns contact your Underwriter.

### Submission Requirements

In order to obtain a quote in the out-of-state program, New Mexico Mutual must write the New Mexico operations and policy.

#### Submission Requirements

- Workers' Compensation Acord Application
- Currently valued loss runs for last 3-5 years
- Most recent Ex-mod worksheet

\*Information should be emailed to your designated Underwriter for review.

\*\*Quotes are provided at the discretion of the Underwriter.

## Binding Requirements

In order to bind coverage after an out-of-state quote has been provided the following documentation must be emailed to your New Mexico Mutual Underwriter.

### Binding Documents

- Workers' Compensation Acord Application signed by and applicant.
- Additional forms, such as deductible forms or state specific owner exclusion forms.

The agency will receive a copy of the out-of-state policy from New Mexico Mutual. Please note that after issuance of the out-of-state policy, additional documents may require the policyholder's signature. Your New Mexico Mutual Underwriter will advise the agency which additional forms are required.

Please note that at the renewal of an out-of-state policy, updated Acord Applications may be required, as well as new deductible forms, which your New Mexico Mutual Underwriter will advise the agency of what will be needed.

## Payment Guidelines

### Out-of-state Payment Plans

- 100% Annual Pay
- 25% Down with 5 Installments
- 25% Down with 9 Installments
- 50% Down with 50% in 4 months

The out-of-state program has several payment plans, which are at the discretion of the New Mexico Mutual Underwriter.

## Claims Handling

For questions regarding claim inquiries contact and to report out-of-state claims by email or fax please forward these to:

### Dawn Madden

Claims Manager

Phone 505.343.2819

Email dawnm@newmexicomutual.com

# Premium Audit

For premium audit, New Mexico Mutual will handle all premium audits for out-of-state policies. For premium audit questions or concerns contact:

## Monte Plourde

Premium Audit Manager  
Phone 505.343.2879  
Fax 505.343.9879  
Email montep@newmexicomutual.com

# Carrier Information

New Mexico Mutual partners with two carriers to provide coverage in other states.

| Out-Of-State Carrier |  |
|----------------------|--|
| Company              | Mailing Address  |
| WCF Insurance        | P.O. Box 571918<br>Salt Lake City, UT 84157<br>800.466.2667<br>www.wfc.com |

## 6. Claims

### Claim Contact Information

For information on the status of a claim, to identify the assigned adjuster or any other questions, please contact our claims department.

| Claims Contact Information  |                                       |
|-----------------------------|---------------------------------------|
| Claims Mailing Address..... | PO Box 27810<br>Albuquerque, NM 87125 |
| Claims Number.....          | 505.343.7777                          |
| Spanish Direct Number.....  | 505.343.7711                          |
| Claims Fax (E-1s).....      | 505.345.0656                          |
| Claims Bill Review Fax..... | 505.348.9859                          |
| Claims Email.....           | claims@newmexicomutual.com            |

### E1 - First Report of Injury

| E1 Reporting  |  |
|---------------|--|
| <b>Mail</b>   | New Mexico Mutual<br>P.O. Box 27810<br>Albuquerque, NM 87125 |
| <b>Fax</b>    | 505.345.0656   |
| <b>Email</b>  | claims@newmexicomutual.com                                   |
| <b>Online</b> | newmexicomutual.com  |

\* There is a one-time account activation process for all policyholders when filing a claim online.

All claims should to be reported to our office. A **First Report of Accident Form (E-1)** must be completed within 24 hours or next business day of the accident being reported. **The policy number and the policyholder's tax ID are required to set up the account.** Contact the Claims Department with any questions.

Losses of a serious nature should be telephoned to our Claims Department immediately. Serious losses include fatalities and extended inpatient hospital stays or any other injury considered catastrophic.

s have no authority to settle or assign claims.

## 7. Billing

New Mexico Mutual offers a variety of payment plan and payment methods for policyholders. There are no fees with installment plans or premium reports.

| <b>Billing Contact Information</b> |                                     |
|------------------------------------|-------------------------------------|
| Billing Mailing Address...         | PO Box 27805, Albuquerque, NM 87125 |
| Billing Number.....                | 505.343.7744                        |
| Billing Fax.....                   | 505.348.9877                        |
| Billing Email.....                 | billing@newmexicomutual.com         |

New Mexico Mutual accepts a variety of payment methods.

| <b>Payment Methods Accepted</b> |  |
|---------------------------------|--|
| Mail.....                       | Check, Money Order or Certified Check<br>PO Box 27805<br>Albuquerque, NM 87125 |
| Phone.....                      | 505.343.7744   |
| Online.....                     | newmexicomutual.com  |

# Voluntary Business Payment Plans

## Payment Plan Options

### Installment Billing

- Annual
- 10% down with 10 installments
- 25% down payment with 5 installments
- 25% down payment with 9 installments
- 33% down payment with 2 installments

### Premium Reporting

- 35% deposit with 3 quarterly reports
- 20% deposit with 11 monthly reports
- 10% deposit with 11 monthly reports

## Payment Plan Options

Installment billing is best suited for those accounts with relatively stable payrolls.

## Premium Reports

Accounts with fluctuating payrolls are best suited for one of the payroll reporting options.

For each reporting period, a payroll reporting form is mailed directly to the policyholder. The premium reporting form lists all of the class codes, rates and a combined modifier, so the policyholder can calculate a reasonable premium estimate. The policyholder then returns the premium report form and payment to New Mexico Mutual. If premium reporting forms are not received by the specified due date a Notice of Cancellation will be released.

A combined modifier is used to simplify the computation. The combined modifier is subject to change, which can impact the premium calculation combined modifier. The annual audit will confirm the final premium.

## Final Audit Billing

Once the final premium audit is processed, New Mexico Mutual adjusts the estimated annual premium to the final premium. The final premium may result in an additional charge or return based on the actual payroll. If the final audit generates an additional premium, the policyholder is invoiced and payment is due within one month of the invoice date. If the final audit generates a return premium, the amount will be returned to the policyholder unless a balance is currently owed on the account, in which case it will be applied to the Balance Due.

If there are any questions regarding the final premium billing please contact New Mexico Mutual's Billing Department at **505.343.7744**.

## Collections

Once an account is formally assigned to a third party collections agency, no further commission will be paid to the for the account, regardless of whether monies are collected.

## Premium Financing

All premium finance companies and agreements must comply with the licensing, bonding and statutory requirements of the New Mexico Insurance, NMSA 1978 Sections 59A-45-1 to 59A-45-16 ("Insurance Premium Financing Law"). All premium finance companies and their legal counsel should review the Insurance Premium Financing Law to ensure compliance in transacting business in New Mexico and mitigate exposure to legal and administrative penalties. New Mexico Mutual reserves all rights to challenge an executed premium finance agreement as void, voidable or unenforceable under law.

Information can be obtained from the New Mexico Office of Superintendent of Insurance (OSI) through its website at [www.osi.state.nm.us](http://www.osi.state.nm.us) regarding licensure, bonding, agreement requirements and notifications.

As a New Mexico licensed workers' compensation insurance company, New Mexico Mutual is required to comply with the New Mexico Insurance Code and the terms and conditions of the standard workers' compensation insurance policy contract approved for use in New Mexico by the New Mexico Superintendent of Insurance. The workers' compensation insurance policy sets forth the terms, conditions and first-party obligations between New Mexico Mutual and the named policyholder.

A premium finance agreement is entered into between a named insured and a third-party premium finance company and subject to terms, conditions and obligations set forth in the standard workers' compensation insurance policy contract. Therefore, premium finance companies are responsible for complying with the applicable provisions of the New Mexico Insurance Code and the standard workers' compensation policy contract.

Part 5 of the standard workers' compensation insurance policy contract requires the determination of all premium under the NCCI Basic Manual and adjustment pursuant to final premium audit after the expiration of the 12-month policy term to verify proper

classification and rates for the actual work covered based upon the named policyholder's records.

The Insurance Premium Financing Law, New Mexico Insurance Code, NMSA §59A-45-11, sets forth the following (emphasis added) with respect to "Cancellation of Insurance Contract Upon Default":

- A. When a premium finance agreement contains a power of attorney enabling the premium finance company to cancel any insurance contract or contracts listed in the agreement, the insurance contract or contracts shall not be cancelled by the premium finance company unless such cancellation is made in accordance with this article.
- B. Not less than ten (10) days written notice shall be mailed to the insured of the intent of the premium finance company to cancel the insurance contract unless the default is cured within the ten-day period.
- C. The premium finance company shall also mail a notice of cancellation to the insured at his last known address.

Accordingly, New Mexico Mutual must receive documentation from the premium finance company that written notice of cancellation was issued to the name insured and expiration of the 10-day period to cure by the insured as prescribed by the Insurance Premium Financing Law, NMSA 1978, §59A-45-11, in order to process premium finance cancellation requests.

**Please be advised that New Mexico Mutual bills on an account basis, not a policy basis. As such, any premiums received from a premium finance company will be applied to any outstanding premium amounts owed on the account for prior periods of coverage. Any refund due a premium finance company will be adjusted accordingly.**

The Insurance Premium Financing Law, NMSA 1978, §59A-45-7(C) requires that premium finance agreements contain a statement that the Insurance Premium Financing law does not require a person to enter into an insurance premium financing agreement as a condition of the purchase of any insurance policy.

Please know that New Mexico Mutual provides access to several non-interest installment and premium reporting payment options for qualifying policyholders, reducing the need for premium financing options.

## 8. Premium Audit

Every worker's compensation policyholder is contractually required to cooperate and provide the necessary remuneration and operational information to permit New Mexico Mutual to complete a final audit. If New Mexico Mutual determines that the operations and exposure units were less extensive than estimated, the policyholder will receive a premium credit. Likewise, if it is determined that the operations were greater than estimated, the policyholder will be charged an additional premium.

### Premium Audit Contact Information

|                   |                           |
|-------------------|---------------------------|
| Audit Number..... | 505.345.7260              |
| Audit Fax.....    | 505.348.9825              |
| Audit Email.....  | audit@newmexicomutual.com |

Part 5 of the policy contact requires a premium audit be conducted upon the policy expiration. Failure to comply may affect the ability of the policyholder to obtain workers' compensation coverage in the future.

### Estimated Audits

The audit department makes at least three efforts within 60 days from policy expiration to obtain final audit information. Accounts that do not respond to these efforts will be sent a Notice of Cancellation. If audit is not completed within 60 days of policy expiration, due to policyholder non-compliance, the audit will be estimated. No return premiums will be made on accounts that have not completed a final audit.

### Premium Audit Frequently Asked Questions

New Mexico Mutual wants policyholders to understand the premium audit process and how their final premium will be determined. We have prepared Premium Audit FAQ's and they can be found on our website at [newmexicomutual.com](http://newmexicomutual.com).

## 9. Risk and Safety Management

New Mexico Mutual provides expert Risk and Safety Management services to policyholders at no additional cost.

### Risk and Safety Management Contact Information

**Alec Wayne Grandon**, MSIM, CPCU, CL, RF, CIC, Risk and Safety Manager  
505.343.2817      alecg@newmexicomutal.com

**Wayne Cornell**, CHSP, CRIS, Senior Risk and Safety Consultant  
505.205.4030      waynec@newmexicomutual.com

**David Estrada**, OHST, CHSP, Senior Risk and Safety Consultant  
505.343.2832      davide@newmexicomutual.com

**Dennis Rushing**, ALCM, OHST, AIM, CET, CHSP, Senior Risk and Safety Consultant  
505.343.2858      dennisr@newmexicomutual.com

**Greg Eiffert**, CSHO, Risk and Safety Consultant  
.575.626.0791      grege@newmexicomutual.com

**Anthony Herrera**, LSP, Risk and Safety Consultant I  
505.343.2837      anthonyh@newmexicomutual.com

**Erica Moncayo**, MBA, SSH, Risk and Safety Consultant I  
505.343.2893      ericam@newmexicomutual.com

**Patrice Antonio**, Risk and Safety Assistant II  
505.343.2860      patrices@newmexicomutual.com

\*General inquires for our Risk and Safety Department can be sent to  
**nmmsafetyadvisor@newmexicomutual.com**.

# Comprehensive Online Safety Tools

New Mexico Mutual offers tools and information needed to encourage workplace risk management. New Mexico Mutual works with policyholders to minimize workers' compensation costs and provide employees with a safe work environment.



## WCA Annual Safety Inspection

The Workers' Compensation Administration (WCA) of New Mexico requires an annual safety inspection for businesses with insurance premiums over \$15,000. These inspections can be done by your business, the WCA, a private consultant, or a New Mexico Mutual Risk and Safety Consultant.

These inspections can be requested through our website from the link below or you can call our Risk and Safety department to schedule.

WCA Safety Inspection Request:

[newmexicomutual.com/employers/safety/wca-inspection-request/](http://newmexicomutual.com/employers/safety/wca-inspection-request/)

# **SambaSafety Driver Monitoring Program**

SambaSafety Driver Risk Management is provided by New Mexico Mutual at no cost to our policyholders. SambaSafety assists policyholders in identifying unlicensed and high-risk drivers by managing individual driving record data, automatically checking for new violations, DUI or DWI convictions, license suspensions, cancellations, and approaching license renewal dates. When employees know that their driver records are being monitored, they are more conscientious and become safer drivers - benefiting their organizations and their communities. Below are the types of available reports from SambaSafety.

## **Citation Report**

- At-a-glance summary statistics and monthly comparisons
- All citations decoded for quick and easy review
- Customizable report capability
- New citations separated from previous reports
- Drivers with no activity are not displayed

## **Invalid Driver Report**

- At-a-glance summary statistics and monthly comparisons
- View cancelled, revoked, and suspended licenses
- Customizable report capability
- Lists invalid driver's licenses and CDL separately
- Notes the date when license became invalid

## **Renewal Report**

- Reports previously expired licenses
- Notes licenses that will expire in the current month
- Indicates which licenses are due for renewal

## 10. Assigned Risk Servicing Carrier

### General Pool Information

#### Assigned Risk Contact Information

**Fran Armijo**, Assigned Risk Underwriter  
505.343.2874 frana@newmexicomutual.com

**NCCI Website** <https://www.ncci.com/>  
**NCCI Phone Number** 1.800.622.4123

The New Mexico Workers' Compensation Assigned Risk Pool is the residual market for New Mexico employers that have, in good faith, but without success, sought insurance through the voluntary market. The New

Mexico Assigned Risk Pool is governed by New Mexico's Office of Superintendent of Insurance (OSI) and is administered through NCCI's New Mexico Assigned Risk Pool Manual. The Assigned Risk Pool Manual includes instructions for binding applications, cancellations, and dispute resolution.

New Mexico Mutual acts as a servicing carrier for the New Mexico Assigned Risk Pool (one of two in the state). The servicing carrier is responsible for issuing policies, using prescribed forms and maintaining compliance with the policy contract.

### Agency Representation

When taking over an Assigned Risk policy at the renewal or mid-term, an Broker of Record (BOR) letter must be submitted to New Mexico Mutual. At that time, a letter is sent to the existing, giving them informing them of the change.

When taking over a policy mid-term, the new may service the account, but receives no commission. At the time of renewal, the assigned risk renewal quote will be provided with the new name shown on the quote. The commission on the renewal would go to the new Broker of Record.

## Assigned Risk Procedures

On a monthly basis, policyholders receive a Statement of Account reflecting any financial activity for the preceding month. Policyholder's billing statements are printed on the same day each month. commission statements are printed on the second day of each month. commissions are posted based on policyholder **paid** amounts. Each payment activity on the policyholder's Statement of Account creates a commission entry on the Agency's statement. Policyholders are responsible for payment of any amount due on their account. New Mexico Mutual will not issue a check for any amount under \$5.00.

The following activities will be reflected on the policyholder's Statement of Account as noted:

### New Business

The first statement will show the billing of the policy premium or deposit premium and receipt of payment from the NCCI.

### Endorsements and Premium Audits

Any premium adjustments created will be reflected on the next statement.

### Cancellations

Cancellations are handled based on the table below.

**NCCI Cancellation Provisions Table 3**

| If...   | Then...  |
|---|--|
| An assigned risk policy is being cancelled because the insured replaced coverage through the voluntary market . . . | <ol style="list-style-type: none"><li>1. Apply authorized rates to the payroll developed during the period the policy was in effect.</li><li>2. Apply an experience rating modification in accordance with rules of the Experience Rating Plan Manual for Workers' Compensation and Employers Liability Insurance.</li><li>3. Add the pro rata portion of the expense constant, but not less than \$15.</li><li>4. The total premium for the cancelled policy must not be less than the pro rata portion of the minimum premium.</li></ol> |

### Premium Reporting

Premium reports are due in our office no later than 20 days after the reporting period ends. The policyholder is responsible for sending the full payment with the report. The next

statement will reflect the billing of the report and receipt of the payment.

## Renewals

The policy premium or deposit premium must be paid from the furnished renewal quote. At policy renewal, the next statement will bill the premium and show verification of receipt of payment.

## Final Audit

All final audits must be completed within 75 days of the expiration of the policy or effective date of cancellation.

- If payment is not received within one month, New Mexico Mutual will send the first collection letter giving the policyholder 14 additional days to pay.
- If payment is not received the policyholder is sent to collections within 5 working days per NCCI guidelines.

## Assigned Risk Characteristics

There are several differences in key procedures and timelines for the Assigned Risk Pool.

| <b>Procedural Differences Within Assigned Risk Pool</b>                               |  |
|---|--|
| <b>Waiver of Our Right to Recover from Others Endorsement (Waiver of Subrogation)</b> | There are no blanket waivers, only specific waivers. For each waiver, a copy of the contract will need to be submitted. New Mexico Mutual has up to 5 days to process these requests.  |
| <b>Policy Issuance</b>  | Once funding from NCCI is received, New Mexico Mutual has 30 days to issue a policy. Funding typically takes up to 72 hours.   |
| <b>Renewal Quotes</b>   | Quote letters are sent out approximately 45 to 50 days prior to the policy expiration, renewals are not issued without payment.  |
| <b>Assigned Risk Surcharge</b>  | There several types of surcharges that can be applied to an assigned risk policy at the time of application or thereafter. Surcharges that may be applicable to assigned risk policies include, but are not limited to assigned risk surcharge programs and state surcharges. The calculation and application of surcharges vary by state and may be added after policy issuance.  |
| <b>Assigned Risk Adjustment Program (ARAP)</b>  | Identifies assigned risk employers with less favorable loss experience and requires them to share in the underwriting losses of the residual market. It recognizes the differences among individual assigned risk employers with respect to safety and loss prevention by providing more weight to the severity of the total losses rather than the frequency of individual losses. The differences are reflected by an ARAP surcharge factor, which may result in an increase in assigned risk premium. For further information on ARAP, refer to NCCI's Basic Manual Rule 4-E. |

## **Moving to the Voluntary Market**

New Mexico Mutual actively reviews Assigned Risk accounts with preferred characteristics meeting the voluntary risk appetite. Producers may be contacted for moving policies to the voluntary market. For questions, please contact your New Mexico Mutual Underwriter.

**Please Note:** New Mexico Mutual Group has designed this document to provide general information on the subject matter. Descriptions herein are incomplete – for a full explanation of the terms and exclusion, please refer to the policy, endorsements and NCCI Basic Manual, the policy contract and other New Mexico Insurance code regulations.

Pursuant to IRS Circular 230, New Mexico Mutual is providing you with the following notification: The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This document supports the promotion and marketing of insurance products. Your clients should seek advice based on their particular circumstances from an independent tax advisor.

New Mexico Mutual, its contracted Producers, and representatives may not give legal or tax advice.

New Mexico Mutual  
3900 Singer Blvd. NE  
Albuquerque, NM 87109  
**[newmexicomutual.com](http://newmexicomutual.com)**