



OKLAHOMA INSURANCE DEPARTMENT
STATE OF OKLAHOMA

MEMORANDUM

TO: ALL LICENSED THIRD PARTY ADMINISTRATORS
FROM: OKLAHOMA INSURANCE DEPARTMENT, DEANN ROBINSON
SUBJECT: TPA ANNUAL REPORTS DUE JUNE 1, 2012
DATE: 3/21/2012

There is no fee associated with this filing.

Please complete the TPA Annual Report forms located on the OID website at www.financialforms.oid.ok.gov. After selecting the link above or typing the link into your browser window, please click on "**Third-Party Administrator**". The forms are located under "**Third Party Annual Report Packet**". There is a checklist, a questionnaire and a report. Please submit the questionnaire and the report to my attention on or before June 1.

Reminder: All TPA license holders and their respective license numbers must be referenced. There are no exemptions from filing the TPA Annual Report.

Administrators are encouraged to review and understand the Third-Party Administrator Act. Please visit: www.oscn.net. Select Legal Research, then Oklahoma Statutes Citationized. Scroll down to Title 36, Insurance. Slide to the right and expand your search. Scroll down to Chapter 1, Article 14B- Third-Party Administrator Act, §§ 1441 through 1452. TPAs are also encouraged to periodically check the Department's web site www.oid.ok.gov for news and updates to Bulletins and other relevant material.

Please review the "Frequently Asked Questions" page on the back of this memo. If you have further questions, I can be reached by telephone at (405) 521-6648 or by email at Deann.Robinson@oid.ok.gov.

Please submit the completed annual report and questionnaire to our mailing/physical address:

Oklahoma Insurance Department
Attn: Financial Division, DeAnn Robinson
Five Corporate Plaza
3625 NW 56th St, Ste 100
Oklahoma City, OK 73112

FREQUENTLY ASKED QUESTIONS

Third-Party Administrator Annual Report

Q: What if I do not have access to the information required by Title 36 O.S. §1452?

A: If the TPA does not handle the funds of the plan(s), you must state this in your annual report. Please do not leave the annual report blank, instead explain situation in the appropriate sections. If the TPA does not handle the funds of the plan, the annual statement will still need to be signed by the president and secretary or other appropriate officer.

Q: What is the definition of a “plan”?

A: Although this term is not defined in the statute itself, the Oklahoma Insurance Department defines a “plan” as any group with which an administrator has a contract. A “plan” may also be an individual if the TPA administers for unrelated individuals whose insurance coverage has no connection other than the coverage itself.

Q: How do I compute “paid claims by the covered unit”?

A: Within each “plan”, divide the total claims paid by the number of persons/units within the “plan”.

Q: Must an independent CPA complete the form?

A: Please see Title 36 O.S. §1452 which states: The report shall have been reviewed by a certified public accountant, independent of the administrator, and shall be subscribed and sworn by the president and attested by the secretary or other proper officers substantiating that the information is true and factual concerning each of the plans they administer. (Amended by Laws 2010, SB 2054, c. 222, § 25, eff. November 1, 2010).

Q: Are we required to complete the annual report form sent us by the Oklahoma Insurance Department?

A: We suggest that you use our forms. They have been created so that, if completed correctly, the department will receive all of the information required by statute. **Caution: If you prepare your own report, please be sure that all the requirements of Title 36 O.S. §1452 are met.** Please also point out the location in your report of all relevant information.

Q: Can another officer sign the annual report if the president or secretary is unavailable?

A: Yes, Title 36 O.S. §1452 states the annual report should be “...subscribed and sworn to by the president and attested to by the secretary or other proper officers...” Report must bear original signatures of two separate authorized corporate officers.

Q: If we handle ERISA plans are we exempt from filing the annual report?

A: No, while the ERISA business does not need to be included in the annual report, the TPA entity must report all TPA business conducted as it is defined in Title 36 O.S. §1442.

Q: Can we get an extension of the filing deadline?

A: There is no provision within the TPA Act for extensions. All reports must be postmarked on or prior to June 1st.

Q: What is the penalty for filing after the June 1st deadline?

A: Failure of any third-party administrator to execute and file the annual reports as required by this section shall constitute cause, after notice and opportunity for hearing, for censure, suspension, or revocation of administrator licensure to transact business in this state, or a civil penalty of not less than One Hundred Dollars (\$100.00) or more than One Thousand Dollars (\$1,000.00) for each occurrence, or both censure, suspension, or revocation and civil penalty. Annual Reports will be deemed non-compliant unless received on or prior to June 1st in a completed state covering the previous calendar year.

Important:

***The TPA Annual Report is not the same as renewing the TPA license. See the TPA Renewal Checklist and Form.**

***The administrator should retain in their files: a copy of the completed report and tracking/ mailing information.**

There are no exemptions from filing the TPA Annual Report.