

GEORGIA
SELF-INSURERS
GUARANTY TRUST FUND



GEORGIA SELF-INSURERS GUARANTY TRUST FUND
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What is the Georgia Self-Insurers Guaranty Trust Fund?

The Georgia Self-Insurers Guaranty Trust Fund (“Fund”) is a trust fund established in 1990 by the Georgia legislature. The Fund was created to provide for the continuation of workers’ compensation benefits to injured worker’s self-insured employer becomes insolvent. Through fees and assessments, the Fund raises money to be used for payment of benefits to employees of member employers.

Who is required to join and why?

All private employers seeking to self-insure must submit an application and be accepted for membership in the Fund. However, governmental self-insures, captive insurers, or employers who elect to group self-insure, pursuant to O.C.G.A. § 34-9-150, et. seq. are exempt from the Fund and should not apply for membership.

How to apply for membership?

In order to apply for membership in the Fund, visit the Fund’s website at www.gaguaranty.com or contact the Fund, P.O. Box 7159, Atlanta, Georgia 30357-0159, or call (404) 872-6184, and request an application package. It takes approximately sixty (60) days to process an application for admission once it is received by the Fund. Please allow adequate time for processing your application in order to avoid the lapse of your insurance coverage prior to a decision being made to the Fund on your application.

What are the requirements for the application and admission?

In order to apply for admission into the Fund, a fully completed application and a copy must be submitted to the Fund, with full and complete answers being provided to all questions. An application fee of \$500.00, made payable to the Fund, must accompany your application. Please note that your application must include a full audit of your company’s financial information for the most recent year. Likewise, audited financial information is required for the two prior years unless specifically excused by Order of the Fund.

What is the cost of membership?

The initial application fee is \$500.00. Once accepted for membership in the Fund, an initial assessment of \$4000.00 is due. Thereafter, annual assessments in the amount of 1.5% of your prior year’s workers’ compensation indemnity payments made will be calculated by the Fund and assessed to you. This amount will represent your annual contribution to the Fund until you are advised that no further assessments of your company will be made. Assessments will be suspended once your company has paid at least three (3) annual assessment into the Fund, and the assets exceed \$3 million.

What security or collateral must I pledge in order to become a member of the Fund?

Once your application has been evaluated and your company’s financials, loss history, and reserves are evaluated, the Trustees of the Fund will make a recommendation to the State Board of Workers’ Compensation regarding

the security to be required for you in order to become self-insured. Security may take the form of either a surety bond written by an insurance carrier or bonding company acceptable to the State Board of Workers’ Compensation or, as an alternative, an irrevocable letter of credit in the form required by the Fund and either issued or confirmed by an acceptable Georgia depository.

Who manages the Fund?

The Fund is managed by a chairman and six additional trustees. The original trustees were appointed, pursuant to statute, by the Governor of the State of Georgia, and their successors shall be elected by the members of the Fund.

What annual reporting is required?

Each year, your company will be required to fill out an annual report form required by the Fund. This form requires you to provide updated information regarding your employees, payroll, losses and reserves for the new year.

Is the information I submit to the Georgia Self-Insurers Guaranty Trust Fund confidential?

All financial information submitted by a participant is considered confidential and not public information, according to the provisions of O.C.G.A. § 34-9-388.