

# Application for Insurance Coverage



Montana State Fund (MSF) is a nonprofit, publicly owned workers' compensation insurer. Any employer with employees hired to work in Montana may apply for coverage.

## **How to Obtain Coverage:**

**A separate application should be completed for each individual legal business entity. Upon request, MSF can provide coverage for combinable individual entities onto one policy.**

This policy will provide coverage for all of your employees who are required to be covered by Montana law (see Montana Code Annotated (MCA) 39-71).

A business entity with a minimum of 51% ownership interest held by an enrolled tribal member and whom operates solely within the boundaries of a Tribal Reservation, is not required to provide workers' compensation coverage for any employee. If an enrolled tribal member chooses to provide coverage through MSF, the policy will cover all employees and premium must be paid for all employees working on and/or off the Tribal Reservation.

MSF will review your application, as well as any previous or current policies. An outstanding obligation on a prior MSF policy will need to be resolved and may impact this application's policy effective date. Please contact a Customer Service Specialist to resolve all outstanding obligations.

The earliest a policy may begin is the day after your complete application is received.

## **COMPLETING THE APPLICATION:** *(all sections must be fully completed)*

### **Agent Information:** *(if applicable)*

Agent Name & Agency Address to be completed when the application is being submitted by an agency partner.

### **Business Information**

#### **Legal Entity Name:**

- If the business is a sole proprietorship or a partnership, enter the owner's name(s) here. Otherwise, enter the legal business name.
- Upon request, MSF may be able to combine multiple business entities with common ownership under one policy however one application for each entity is requested. For consideration, please call us to request.

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## Taxpayer Identification #:

- Enter your Employer Identification Number (EIN). An EIN may be quickly obtained from the IRS on-line at [www.irs.gov](http://www.irs.gov) or by calling (800) 829-4933. The IRS website contains information about businesses that are required to obtain an EIN.
- If your business is not required to obtain an EIN, your Social Security number will suffice and will only be used for business identification purposes when policy information is required to be reported to regulatory authorities.

## Mailing Address:

- Enter your mailing address. All policy information is sent to this provided mailing address unless you choose to have all policy information sent to your accountant or CPA.
- To designate your accountant or CPA to receive all policy correspondence, provide the accountant or CPA's name & address on page 3 of this application.

List All DBAs (Doing Business As): Enter all business names that are used by the business.

Phone Number: Enter your business telephone number including the area code and any applicable extension.

Email Address: Enter your business email address.

Type of Business: Check the box that describes your business legal entity type. If not listed, please specify entity type in the space provided.

## NCCI Risk ID Number:

- If applicable, enter your business risk ID number. If your business has a risk ID number, submit a copy of your most recent Experience Modification Worksheet from your prior insurance carrier or submit an authorization allowing MSF to obtain the information from NCCI.
- An authorization letter template is available by clicking on the link below:  
<https://montanastatefund.com/web/docs/authorization-for-ncci-to-release-experience-rating.doc>

Years in Business: Enter the number of years the business has been operating.

## Locations

Enter each physical address for all business locations. If more space is needed, provide additional locations on a separate page and submit with your application.

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## **Policy Information**

You may elect "Quote Only" or "Issue Policy".

- If "Quote Only" is selected, MSF will not issue a policy until notified.
- If you select "Issue Policy", the earliest a policy may begin is the day after a complete application is received.

Requested Effective Date: Enter the date you would like your policy to begin. The earliest a policy may begin is the day after a complete application is received.

### Requested Expiration Date:

- Enter the date you would like coverage to expire. The expiration date cannot be more than 12 months & 16 days from the effective date.
- To ensure ease of reporting, we suggest you select an expiration date that coincides with your business processes and needs.
- If no specific expiration date is requested, MSF will assign an expiration date of 12 months from policy inception.

Other States Locations: Enter the states, other than MT, in which you conduct business.

Medical Deductible? If you wish to participate in the Medical Deductible program, check "Yes". For more information about the program, please contact a Customer Service Specialist.

Employers Liability Limits: Employers liability coverage provides you with additional insurance protection for work related injuries not covered under the Workers' Compensation Act. Indicate the desired limits of liability on the application.

MSF provides employers liability insurance for policyholders at the limits shown for no additional cost:

- ☐ \$100,000 Bodily Injury by Accident - each accident  
\$100,000 Bodily Injury by Disease - each employee  
\$500,000 Bodily Injury by Disease - policy limit

Higher limits of liability are available for additional premium. Contact MSF for additional cost amounts:

- ☐ \$500,000 Bodily Injury by Accident - each accident  
\$500,000 Bodily Injury by Disease - each employee  
\$500,000 Bodily Injury by Disease - policy limit

OR:

- ☐ \$1,000,000 Bodily Injury by Accident - each accident  
\$1,000,000 Bodily Injury by Disease - each employee  
\$1,000,000 Bodily Injury by Disease - policy limit

## **Policy Options:**

- Installment Plan with *Annual* Payroll Reporting
  - Suggested for businesses which have stable, nonseasonal payroll levels and may work best for businesses with seasonal fluctuations that don't have dedicated payroll support, especially smaller businesses.
  - Upon enrollment you will receive an invoice for the initial installment, annual expense constant, and associated regulatory assessments due in our office 25 calendar days from the invoice date.
  - Installment options are based upon your total estimated premium for the term.
  - For a list of Installment Plan Options:  
<https://montanastatefund.com/web/docs/installment-plan-options.pdf>
  - Final premium will be calculated at the end of the term based upon your actual wages.
  
- Reporting Plan with *Quarterly* Payroll Reporting
  - Suggested for businesses which have fluctuations in payroll such as seasonal employment and works best for businesses with dedicated payroll support, likely larger operations.
  - You'll have payroll reports to do every three months. You'll have no less than four payroll reports per year, potentially five, depending on your policy term. You'll receive quarterly invoices based upon your reported actual paid wages with associated regulatory assessments.
  
- Reporting Plan with *Monthly* Payroll Reporting
  - Suggested for businesses which have fluctuations in payroll such as seasonal employment and works best for businesses with dedicated payroll support, likely larger operations.
  - You'll have monthly payroll reports to do and receive monthly invoices upon your reported actual paid wages with associated regulatory assessments.

## **Rating Information:**

Fully complete the state, location, description of employees' duties, number of employees (both full time and part time) and estimated annual payroll. You should group employees together based on their common duties.

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## **Ownership Information and Coverage Selection:**

- List all names of owners, partners, limited liability company (LLC) members, LLC managers, corporate officers or shareholders.
- The application must include all ownership for a total of 100% ownership interest.
- Please specify your intent to cover or not cover each individual listed. Due to MT laws which require some persons to be covered and exclude others from the Workers' Compensation Act, your indicated preference may be modified by MSF.
- Provide individual title.
  - For example: sole proprietor, partner, LLC member, LLC manager, president, vice president, secretary, treasurer, CEO, CFO, or other appointed entity title.
- List duties performed.
- Indicate if paid/not paid for ordinary duties
- Indicate any relationship between persons listed in section such as: spouse, child, parent, sibling, son/daughter-in-law, nephew or niece. In certain situations, family relationships can impact coverage options.

## **Prior Insurance Company Information and Claim History:**

No: If the business has not previously been insured for workers' compensation insurance, please select No and go to the next section.

Yes: If the business was previously insured with another insurance company, please select Yes and provide a minimum of a 3-year (5 years preferred) Loss History Report obtained from your insurance agency or prior insurance company and submit with your application.

## **Description of Business Operations:**

Provide a detailed description of all business operations including the industry specific information noted in the application. If additional space is needed, please attach an additional page.

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## **General Information:**

Answer each question and provide a detailed explanation for all "Yes" responses in the provided area. If additional space is needed, please attach an additional page.

**Elective Coverages:** A policy provides coverage for all employees as required by Montana law. Certain statutorily excluded employments are not covered under a standard policy unless you have requested, and MSF has approved the elective coverage. Check the appropriate boxes in this section to request elective coverage(s) consideration.

***NOTE:*** A person who regularly and customarily performs services at locations other than the person's own fixed business location may be required to either obtain an independent contractor exemption certificate or elect to obtain workers' compensation insurance coverage on themselves. For more information, refer to DLI's website at [www.mtcontractor.com](http://www.mtcontractor.com) or call (406) 444-9029.

The following are examples of exempt employments which may not require coverage:

- Sole proprietors, partners of a partnership, members of a limited liability partnership and members of a member-managed LLC.
- On or after 10/1/2023\*: Elected corporate officers or managers of a manager-managed LLC who meet any of the following requirements:
  - ✓ Is not engaged in performing the ordinary duties of a worker and does not receive any pay.
  - ✓ Performs primarily household duties.
  - ✓ Owns 10% or more of the number of shares of stock in the corporation or 10% or more of the LLC.
  - ✓ In combination with other officers or managers to whom they are related,\*\* own 10% or more of the shares of the corporation or LLC.

*\* Prior to 10/1/2023: individual or aggregate ownership exemption percentages must meet or exceed 20% rather than 10%.*

*\*\*A relative for combinability is defined as a spouse, child, adopted child, stepchild, mother, father, son-in-law, daughter-in-law, nephew, niece, brother, or sister.*

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**NOTE:** Coverage cannot be elected for corporate officers or LLC managers who fail to satisfy any of the four elective criteria listed above, are not engaged in performing the ordinary duties of a worker, or do not receive pay.

Corporate officers or LLC managers who fail to satisfy any of the four elective criteria and who receive pay from the corporation or LLC for the performance of ordinary duties are automatically covered.

For more information and a complete list of exempt employments, go to <https://dli.mt.gov/> or contact a Customer Service Specialist.

Do you require Certificates of Insurance to those whom for you perform work? If yes, please list names and address on an additional page and submit with your application.

Do you want an accountant or CPA to receive all correspondence regarding your policy? If yes, please list their name and address in the space provided. All policy information will be sent to this provided mailing address.

If you are a member of any of the associations listed: Contact the association for more information on our group programs.

## **Signature:**

An authorized employer representative must sign and submit the completed application with all applicable attachments for consideration. When an application is being submitted by an agent partner, the agent signature is an authorized employer representative.

*Electronic Signature:* Depending on your browser settings, the completed application may be signed electronically by clicking in the highlighted space provided and following the instructions. You may also print the completed form, sign and submit to MSF by US mail, Fax or scan and email to the address provided below.

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## **Review and Submit the Application:**

Be sure you have completed all areas and signed the application before submitting. An incomplete or unsigned application may be returned, resulting in a delay in coverage.

Make a copy of the application for your records and return the signed application to:

- Email: [stfpolicy@mt.gov](mailto:stfpolicy@mt.gov)
- US Mail:  
Montana State Fund  
PO Box 4759  
Helena, MT 59604-4759
- Fax: (406) 495-5020

If you have any questions, please contact a Customer Service Specialist at (800) 332-6102 or (406) 495-5000.