



**Financial Affairs Division
Arizona Department of Insurance**

2910 North 44th Street, Suite 210, Phoenix, Arizona 85018-7269

Phone: (602) 364-3986

Web: <https://insurance.az.gov>

**ARIZONA SPECIAL SCHEDULE P REPORT INSTRUCTIONS
FOR WORKERS' COMPENSATION DEPOSIT**

Arizona Special Schedule P Report Form E-478 and Form E-WCA – DUE APRIL 15

1. You must file these reports if you transact, reinsure or are authorized to write Arizona workers' compensation insurance.
 - a. Our FILLABLE **Form E-478/E-WCA** will compute your required deposit amount.
 - b. File the forms even if your activity is "0".
 - c. Include Excess Workers' Compensation business (Arizona State Page line 17.3).
 - d. Use only current forms posted on our website at <https://insurance.az.gov/insurers/financial-reporting-foreignalien-entities/propertycasualty-insurer-not-filing-health-blank>. We do not accept older forms or incomplete forms. Note that our web address may be changing. We will notify you when it does.
 - e. Must be in Excel 2003 format or newer version.
 - f. File name should be the insurer's NAIC# followed by the insurer's name. For example *12345Property Insurance Company*.
 - g. **EMAIL** (DO NOT send a hard copy) completed forms to financialfilings@azinsurance.gov. DO NOT file Form E-478/E-WCA with your Annual Statement.
2. Your Arizona workers' compensation deposit must equal or exceed Line F of Form E478 **BEFORE** you file the forms with us. We may summarily suspend your Workers' Compensation authority if your deposit is deficient.
3. You may apply for the complete release of your Arizona workers' compensation deposit **AFTER June 30, 2015** using **Form E-XSAPP** due to the revisions to ARS § 23-961 becoming effective.

Workers' Compensation Insurance Deposit Requirement

ARS § 23-961(D) requires a deposit that is the **greater of**:

1. One hundred thousand (\$100,000) dollars.
2. The sum of subdivisions (a) and (b) of this paragraph less credits for approved reinsurance computed as of the preceding December 31 for workers' compensation insurance written subject to the laws of this state:
 - a. The aggregate of the present values at six percent (6%) interest of the determined and estimated future direct reported loss and loss expense payments on compensation claims incurred more than three (3) years immediately before the preceding December 31.
 - b. The aggregate of the amounts determined for each of the three (3) years immediately before the preceding December 31 which equals the greater of the following:
 - i. Sixty-five percent (65%) of the earned premiums for the year less all direct reported loss and loss expense payments made on compensation claims incurred in the corresponding year.
 - ii. The present value at six percent (6%) interest of the determined and estimated future direct reported loss and loss expense payments on compensation claims incurred in that year.

To use alternative 6% present value factors, you must submit the proposed factors and actuarial support to us by March 1.