

4123-21-03

**Premium payment.**

- (A) Premiums for coal-workers' pneumoconiosis insurance coverage shall be payable in semiannual installments. When the initial application for coverage is received and accepted, the applicant shall be billed based upon its estimated payroll reported to the bureau of workers' compensation for state insurance fund purposes in appropriate job classifications.
- (B) The initial premium required for issuance of a new coal-workers' pneumoconiosis fund insurance policy shall be an advance deposit sufficient to cover premiums for an eight-month period. After every payroll reporting period, this advance premium deposit shall be reviewed for adequacy. If the current deposit is not sufficient, the company shall be billed for the difference. If the current deposit is more than required, a refund shall be made to the subscriber for the difference.
- (C) Renewal premiums shall be due and payable sixty days after the expiration of the last semiannual period for which prepaid premium has been submitted. Provided, however, that to prevent the notice of impending cancellation required by paragraph (B) of rule 4123-21-07 of the Administrative Code, payment must be received no later than thirty days after the expiration date referred to above. The premium required for renewal for the next semiannual period shall be determined in accordance with the provisions of paragraphs (A) and (B) of this rule. However, the administrator of workers' compensation, subject to the approval of the bureau of workers' compensation board of directors, may by resolution establish a minimum semiannual premium, payment of which shall be a condition to continuation of coverage.
- (D) A subscriber whose required advance premium deposit is over three thousand dollars may satisfy the provisions of this rule by submitting a surety bond for the amount over three thousand dollars. The first three thousand dollars, however, must be deposited in cash. Surety bonds provided for in this rule shall be renewed annually, based upon the subscriber's current requirements.
- (E) Upon cancellation of coverage other than by default, any premiums due through the date of cancellation shall be deducted from the advance premium deposit and the balance shall be refunded to the former subscriber.
- (F) A subscriber to the coal-workers' pneumoconiosis fund who ceases operations in the extraction, transportation, or processing of coal but continues as a business entity, may retain coal-workers' pneumoconiosis fund coverage by the continued payments of premiums at reduced rates, depending on the number of years of non-operating subscription. The administrator, subject to the approval of the bureau of workers' compensation board of directors, shall periodically fix the method of computation of such reduced premiums by rule.