

Quick Guide to the Reconciliation Process

The purpose of the Insurer Reconciliation Process is to ensure that surplus lines agents/insureds (Independently Procured Coverage, IPC) and insurers are in compliance with the statutory requirements relative to filing their surplus lines insurance transactions accurately. The insurer reported premium must be within 75% of the agents/insureds (IPC) premium reported for the same reporting period.

After each reporting period, the FLSO staff will run a reconciliation report to determine discrepancies in premium volume. The FLSO requires all surplus lines agents/insureds (IPC) to file all premium bearing transactions to our office. We also require surplus lines insurers to file all premium bearing transactions to our office as well.

FLSO staff compares the insurance company's transaction information to the agent's/insured's (IPC) transaction information. These transactions are based upon their effective dates that fall within the reporting period. For example:

Foreign Insurers

Reporting Period	Due Date	For Transactions Effective
1st Quarter	June 30	Jan 1 to Mar 31
2nd Quarter	September 30	Apr 1 to June 30
3rd Quarter	December 31	July 1 to Sept 30
4th Quarter	March 31 of the following year	Oct 1 to Dec 31

Alien Insurers

Reporting Period	Due Date	For Transactions Effective
Annual Filing	June 30	Jan 1 to Dec 31

All insurance company's premium reported to the FLSO must be greater than or equal to 75% of the premium filed by the agents/insureds (IPC). If it is not, our office will provide a premium report, which will represent the premium amount the insurer has filed and the amount the agents/insureds (IPC) have filed for the quarter.

The insurance company should compare the two amounts provided by the FLSO and extract all transactions within the effective date range for the reporting period and submit any unfiled premium to the FSLO immediately. Note: sometimes expanding the reporting period may successfully locate transactions effective for the quarter. For example, for the first quarter, run a query from January 1st through (the reporting due date) June 30th extracting all transactions effective from Jan 1 – March 31st.

FSLSO Submission Methods

FSLSO has two options for insurers to submit data; either individually through the web-based portal SLIP, or by submissions via the FTP batch file format.

Surplus Lines Information Portal (SLIP)

- SLIP offers insurers the ability to have their policy/transaction data backed up by FSLSO, as opposed to the backing up this same information to their individual PCs. SLIP offers a more secure environment for your data and increased functionality for managing the transaction submissions. As a web-based function, SLIP requires no user maintenance and all updates by FSLSO will appear seamless to the users.
- One of the more practical uses of SLIP is a user's ability to see exactly what has been filed with FSLSO and the ability to make "real time" edits, allowing users to manage their submitted policy information.
- Insurers are required to submit their "No Business" filing and "Catastrophe Information" through SLIP only.
- If you do not currently have a SLIP account, please contact the FSLSO at insurer.services@fslso.com and an account will be created for you. For new accounts, you must provide your name, street address, city, state, zip, phone number, fax number, email address, and the company.

FTP Submit (Batch Filing)

- The FTP Submit Software was designed and developed to facilitate the surplus lines insurer reporting process to the FSLSO. It's an alternative for those who are not using SLIP and prefer to submit information through batch filings. The information is submitted in a slx file format.
- Insurers must use the Valid Surplus Lines Agents list provided by the FSLSO.
 - <http://www.fslso.com/feed/sl.agents.aspx>
- Insurers must use the Valid Surplus Lines Agencies list provided by the FSLSO.
 - <http://www.fslso.com/feed/sl.agencies.aspx>
- If an insurer cannot locate an agent or agency from the above lists, they must use the Independently Procured Coverage (IPC) section.
- If a rejected submission is received, the insurer is required to correct the errors and re-submit the file; otherwise it will not have made it into the FSLSO database as an accepted file.

Quick Guide to Insurer SLIP

Q. How do I submit a new policy?

Submitting a new policy is an easy process, which involves the use of two tabs.

Step One: Click on the “New Policy” tab at the top of the tool bar, enter the policy number, insured name and one of the following Agent, Agency or IPC (multiple selections will incur an unhandled SLIP error). Finally, enter the effective date and expiration date and click the “Save” button.

Please note: If the Agent or Agency is not listed in the drop down menu, click on the “Settings” tab and make sure they are located in the Selected Agent or Selected Agencies box. If they are not listed, select the appropriate Agent or Agency from the available Agent or Agency list and move them using the right arrow located between the boxes.

Step Two: Click the “Transactions” tab located next to the “New Policy” tab. Enter the Effective Date of the transaction and the Premium and click “Save.” (Enter premium as a number only, do not include a dollar sign or comma) Please note: entering a dollar sign (\$) or a comma will incur an unhandled SLIP error.

Q. How do I submit multiple transactions under the same policy number?

Multiple transactions must be entered independently each time by using the “New” button within the transaction tab.

Q. How do I correct a transaction?

If a transaction is entered incorrectly, highlight the transaction and click the “Backout” button, then click the “Save” button. Click the “New” button and enter the correct data, check the box that says “Allow same day transaction” and finally, click the “Save” button.

Q. How do I find a previous filed policy?

Click on the “Policy Search” tab at the top of the SLIP tool bar; enter the Policy number, Insured Name, Policy Effective Date Range or Submitted Date Range, then click the “Search” button.

Q. How do I correct a previously filed transaction?

Search the policy using the prior instructions, click the edit icon located next to the correct policy number, this will highlight the policy you want to revise. Click the “Edit” button located at the bottom of the page. Make any necessary changes and click the “Save” button.

Q. What do we do if we did not report any business for the quarter or year?

Even though business may have not been conducted for the quarter (foreign insurers) or year (alien insurers), a report is required to be filed to the FLSO via your SLIP account. To complete a no

business submission, click on the “Reports” tab at the top of the toolbar, click on the dropdown menu titled “Please Select” and select “File No Business”. Foreign insurers choose the appropriate quarter and year using the dropdown menu then click “Submit”. Alien insurers, choose year and then click “Submit”.

Q. How do I submit my company’s annual catastrophe contact information?

Click on the “Reports Tab” at the top of the tool bar. Click the drop down menu under Select Report and choose “Catastrophe Information”. If the contact information is the same as last year click on the “No” radio button, if there are changes in the information, click on the “Yes” radio button, make your changes, and then click the “Save” button.

Q. What other types of reports does SLIP provide?

In addition to catastrophe contact and no business reporting SLIP also provides the user the ability to view transaction information submitted to the FLSO through activity summary, detail summary, and late submission reports. Furthermore, SLIP now provides feedback to companies via the insurer report card by detailing the accuracy in which they file information with the FLSO, both individually as a company and in comparison to the industry as a whole. We encourage everyone to take a look at their report card and see where improvements can be made in the reporting process.

To access other reports, click on the “Reports Tab” at the top of the tool bar. Click the drop down menu under Select Report and choose the appropriate report, choose the appropriate criteria under the “Select Appropriate Date Period / Select Start and End Dates” then click the “Print” button. Please make sure you have your pop-up blockers turned OFF otherwise the report will not print.

Quick Guide to FTP Submit

Q. Can data be submitted to the FLSO from our in-house underwriting system?

Yes, provided the following conditions are met: All files must be in the specified FLSO format. For detailed information, please visit: <http://www.flsso.com/software/>. Before sending files to the FLSO, you must have your formatting approved by James Farmer, who can be reached via phone at (800-562-4496 x116).

Q. What is the correct format to use regarding the File Transfer Protocol (FTP) submission process?

Make certain to select the Filing Format Version 5.15 for Insurers. To view the described format, visit: http://www.flsso.com/software/ins_formatv515.aspx?o=ins

Q. How do I download the FTP Submit Software?

Make certain to select the correct FTP Submit download. To download the software Version 6.00 for Insurers, visit: <http://www.flsso.com/software/ftpsubmit.aspx?o=ins>. Follow the appropriate steps to complete the download.

Q. How do I determine if a valid surplus lines agent is on FLSO's eligibility list?

All Agents who have a Surplus Lines license will be provided in the FLSO's eligibility list. The Florida Department of Financial Services also maintains a licensed agent list. However, an agent listed on Department of Financial Services' website does not necessarily mean they have a valid surplus lines license. The use of a non-listed unlicensed surplus lines agent will result in a rejection of the entire file submission. Please use FLSO's list of Valid Surplus Lines Agents, located at: <http://www.flsso.com/feed/sl.agents.aspx>

Q. How do I determine if a valid agency is included on the FLSO eligibility list?

All Agencies who have a licensed Surplus Lines Agent on staff will be provided in the FLSO's eligibility list. The use of an invalid agency will result in a rejection of the entire file submission. To view FLSO's list of Valid Surplus Lines Agencies, please visit: <http://www.flsso.com/feed/sl.agencies.aspx>

Q. How do I determine if the transaction should be submitted as an Independently Procured Coverage (IPC) submission?

If a valid Surplus Lines Agent or Surplus Lines agency is not located within FLSO's eligible agent or agency list the transaction should be placed as IPC. Please visit the following link for instructions on how to use the IPC Section: http://www.flsso.com/software/ins_formatv515.aspx?o=ins

Q. I received a rejected submission notice, what do I do?

If you are using FLSO FTP submit and receive a rejected submission notice, you have a formatting error in your file, most probably invalid agent, invalid agency or duplicate transactions (transactions previously submitted to the FLSO)

In each rejected response, there are reference numbers associated with every error. Using the locator feature (Option > Locator), you can enter the error reference number to locate the exact item in your .slx file causing the rejection.

Remember that ALL entities using FLSO FTP Submit software to submit Insurer files to us is required to send a test file to James Farmer (800-562-4496 X116) for formatting validation before being allowed to submit.

FLSO Insurer Services Staff

Please contact any member of our Insurer Services section for additional information, questions or support.

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