

(3) THE EVALUATION REQUIRED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL INCLUDE:

(I) ANY RECOMMENDATIONS FOR CHANGES TO THE PLAN OF OPERATION;

(II) AN ESTIMATE OF FUTURE ASSESSMENTS;

(III) THE ADMINISTRATIVE COSTS OF THE POOL;

(IV) THE APPROPRIATENESS OF THE PREMIUMS CHARGED;

(V) THE LEVEL OF INSURER RETENTION UNDER THE POOL; AND

(VI) THE COSTS OF COVERAGE FOR SMALL EMPLOYERS.

(4) IF THE BOARD FAILS TO FILE THE REPORT WITH THE COMMISSIONER WITHIN 90 DAYS AFTER THE END OF THE APPLICABLE CALENDAR YEAR, THE COMMISSIONER MAY EVALUATE THE OPERATIONS OF THE POOL AND IMPLEMENT AMENDMENTS TO THE PLAN OF OPERATION THAT THE COMMISSIONER CONSIDERS NECESSARY TO REDUCE FUTURE LOSSES AND ASSESSMENTS.

(E) EXCESS OF ASSESSMENTS OVER NET LOSSES.

IF ASSESSMENTS EXCEED NET LOSSES OF THE POOL, THE EXCESS SHALL BE HELD IN AN INTEREST-BEARING ACCOUNT AND USED BY THE BOARD TO OFFSET FUTURE LOSSES, INCLUDING RESERVES FOR INCURRED BUT NOT REPORTED CLAIMS, OR TO REDUCE POOL PREMIUMS.

(F) DETERMINATION OF ASSESSMENT SHARE.

THE BOARD ANNUALLY SHALL DETERMINE THE ASSESSMENT SHARE OF EACH REINSURING CARRIER BASED ON ANNUAL STATEMENTS AND OTHER REPORTS THAT THE BOARD CONSIDERS NECESSARY AND THAT REINSURING CARRIERS FILE WITH THE BOARD.

(G) PENALTY FOR LATE PAYMENT OF ASSESSMENTS.

THE PLAN OF OPERATION SHALL PROVIDE FOR IMPOSITION OF AN INTEREST PENALTY FOR LATE PAYMENT OF ASSESSMENTS.

(H) DEFERMENT OF PAYMENT OF ASSESSMENT.

(1) (I) A REINSURING CARRIER MAY SEEK FROM THE COMMISSIONER A DEFERMENT FROM ALL OR PART OF AN ASSESSMENT IMPOSED BY THE BOARD.

(II) THE REQUEST FOR DEFERMENT SHALL BE MADE IN WRITING TO THE COMMISSIONER WITHIN 15 DAYS AFTER RECEIPT OF THE ASSESSMENT NOTICE.

(2) THE COMMISSIONER MAY DEFER ALL OR PART OF THE ASSESSMENT OF A REINSURING CARRIER IF THE COMMISSIONER DETERMINES THAT PAYMENT OF THE ASSESSMENT WOULD PLACE THE REINSURING CARRIER IN A FINANCIALLY IMPAIRED CONDITION.