

September 3, 2020

**MK 20 03**

## **REVISED Underwriting Guidelines for Providing Other States Coverage**

Chesapeake Employers' Insurance Company (Chesapeake Employers) recognizes the cross-border (multi-state) activities of many Maryland businesses are an integral part of doing business in today's economy. Accordingly, Chesapeake Employers is offering Other States Coverage to Maryland employers that require it and when the additional exposure complements the Maryland domiciled risk. To that end, we have teamed with Zurich American Insurance Company to provide Other States Coverage.

Following are the basic underwriting guidelines applicable to all accounts requesting Other States Coverage. These guidelines will be applied to accounts with effective dates of **July 28, 2020** and after.

- Principal business operations are domiciled in the state of Maryland.
- **\$500 minimum** Chesapeake Employers policy premium.
- For the five (5) contiguous states at Maryland borders, **85%** of the governing payroll may be derived from operations conducted in those contiguous states, with **15%** of the governing payroll housed in Maryland.
- Operations in states beyond Maryland's contiguous border are subject to underwriting review based on overall account characteristics.
- New ventures (entities in business less than 5 years) may be eligible for coverage, subject to:
  - A minimum of 1-year successful operation in the State of Maryland.
  - Financial review of the account reveals on-time bill payment, pattern of increasing revenues.
- Where applicable, demonstrated cooperation with Safety Services and Premium Audit.
- Demonstrated evidence of a commitment to workplace safety.
- Accounts written in BP, BPT or BPE tiers may be eligible based on overall account characteristics and are subject to underwriting review.
- Operations presenting inherently high risk or potentially catastrophic exposures may be eligible subject to underwriting review based on overall account characteristics.

The following exposures (including incidental) are ineligible for Other States Coverage:

- PEOs and Staffing Agencies.
- Federal Acts (**other than minimal USL&H**), Admiralty/Maritime Law, Jones Act, Defense Base Act, Outer Continental Shelf Land Act (**Minimal USL&H may be written; however, is subject to prior review and acceptance**).
- Classes/Operations excluded by Chesapeake Employers' reinsurance treaties are ineligible for coverage under this program. (Commercial airline flight crews, nuclear risks, major league sports teams, and operations with occupational disease exposure).

See Chesapeake Employers' Producer Guide for full Program details. All coverage offerings under Chesapeake Employers' Other States Program are voluntary and subject to underwriting approval.

**Marketing Support Hotline**  
**410-494-2140**

**Underwriting Hotline**  
**410-494-2430**