FSLSO IPC
Procedures Manual
# FSLSO IPC Procedures Manual

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FSLSO IPC Procedures Manual

Section I: What is Independently Procured Coverage (IPC)?

FAQs ➔ Independently Procured Coverage ➔ General

Independently Procured Coverage (IPC) is defined by Florida Statute 626.938(1) as surplus lines insurance procured (or caused to be procured) by an insured with an unauthorized foreign or alien insurer without the use of a licensed Florida surplus lines agent.

Statutory Requirements
All IPC policies are required to be filed with the Florida Surplus Lines Service Office (FSLSO) via IPC SLIP within 30 days of the effective date of the policy. Florida Statute 626.938(3) requires taxes, service fees, assessments, and surcharges to be remitted to the payees and addresses on the respective invoices within 30 days of the effective date of the policy. All IPC charges invoiced by FSLSO are due within 30 days of the date the transaction is filed. The charges currently invoiced by the Florida Surplus Lines Service Office are as follows:

- DFS Surplus Lines Tax
- FSLSO Service Office Fee
- Florida Hurricane Catastrophe Fund Assessment (1%)
- Florida Hurricane Catastrophe Fund Assessment (1.3%)
- EMPA Surcharge
- Citizens Regular Assessment (6.84%)
- Citizens Emergency Assessment (1.4%)

For more information on the charges invoiced by FSLSO, please see Section III and of the IPC Procedures Manual, or visit the “Tax/Fee/Assessment Amount Tables” link on the FSLSO website at http://www.fslso.com/tools/TaxFeeTable.aspx.

IPC policies are coverages written without the use of a licensed and appointed Florida surplus lines agent. The state of Florida does not require a stamp on IPC policies. Some insurance carriers require a stamp on Florida IPC policies, in which case, the producing agent (not a Florida agent) should stamp the policy. Policies placed by a Florida general lines agent on behalf of a Florida insured are not considered IPC coverage. The Florida Insurance Code states that a Florida general lines agent must utilize a licensed and appointed Florida surplus lines agent if coverage is placed through an eligible surplus lines insurer. Furthermore, F.S.626.901(d) states “Independently procured coverage written pursuant to S.626.938 is not solicited, marketed, negotiated, or sold in this state.”

IPC Submission & Payment Procedures Synopsis
The following steps detail the requirements for all IPC filers in order to maintain compliance with Florida Statutes:
(1) File policy information with FSLSO via IPC SLIP (online filing web portal);
(2) Remit payments for the taxes, service fees, FHCF assessments, EMPA surcharges, and Citizens assessments to the payees and address listed at the bottom of the invoices (remitting a copy of the policy is not required).

Please note that separate payments are required for each type of invoice (i.e., -T, -F, -H, etc). Payments for invoices of the same type (paid to the same entity) can be combined into one check.

The IPC Filers page of the FSLSO website contains links to IPC SLIP, the IPC Procedures Manual, IPC Refund Instructions, and other information pertinent to IPC filers. You can access this page by visiting http://www.fslso.com/professionals/ipc.aspx. Or, go to www.fslso.com and click the “IPC” link in the blue box at the top right of the main page. You can also select Insurance Professionals → IPC Filers from the menu on the left side of the main page.

Section II: IPC Filing Procedures

FAQs → Independently Procured Coverage → Filing Questions

All IPC policies (taxable and non-taxable) should be filed with the FSLSO within 30 days of the effective date of the policy. If a policy is filed more than 60 days past the effective date of the policy, late filing interest penalties will be assessed and listed on the invoices when the policy is submitted. Late filing penalties are statutory and cannot be waived. Either the insured or a third party representative of the insured can file the IPC transaction; however, the insured is responsible if the filing is not made or contains incorrect information.

Agents should not use the IPC filing method as a means to avoid licensure as a non-resident agent if, as a matter of business practice, they are soliciting or writing business in Florida. Per F.S.626.938, the insured is responsible for completing the online policy filing and remitting all applicable taxes, service fees, assessments, and surcharges within the timeframes referenced in the statute.

Accessing IPC SLIP
To file an IPC transaction, visit https://ipc.fslso.com. You can also access IPC SLIP by clicking on the “IPC” Quick Link in the blue box at the top right of the FSLSO main page, www.fslso.com. Then, click the IPC SLIP link under the first bulleted item “Independently Procured Coverage Filing.” If you do not have an IPC SLIP account, click the “Register” button, complete the required contact information on the registration page and click submit. You will then receive an email from “slip.support” that contains an initial password to be used to login to IPC SLIP; you must login using this password, but the password can be changed after the initial login.
If you already have an IPC SLIP account, enter your username and password and click the “Login” button. Please note that you cannot login to IPC SLIP using an Agent SLIP username and password.

**Submitting a New Policy**

The term “new policy” applies to a policy number that has never been submitted via IPC SLIP. To begin, click the New Policy button on the menu bar.

**Insured Information**

1) A pop-up box will appear with the question: “What is your relationship with the insured of this policy?”
   a. Select “I am the insured” if you are the insured or an employee of the insured
   b. Select “I am filing on behalf of the insured” if you are an agent, broker or 3rd party representative of the insured
2) If you are filing on behalf of the insured, enter the contact information for the insured
3) Indicate at the bottom of the page whether the policy is a multi-state risk
   a. If the policy is a multi-state risk, select the insured’s home state (principal place of business or residency) from the drop-down list

**Once the Insured information section is complete, click “Next”**

**Policy Information**

Enter the following policy information:
(1) Policy Number
(3) Policy Effective Date (effective date of new business or renewal transaction)
(4) Policy Expiration Date.

**Once the Policy Information section is complete, click “Next”**

**Coverage Information**

A list of FSLSO coverage codes can be found at [http://www.fslso.com/tools/coveragecodes.aspx](http://www.fslso.com/tools/coveragecodes.aspx)
(1) Select the coverage group
(2) Select the coverage type
(3) Select the tax status – tax exempt IPC policies can now be submitted to FSLSO
   a. If the selected coverage is taxable, you will see two options in the tax status drop-down menu: 0 – Taxable and 2 – Non-taxable Governmental
   b. If the selected coverage is non-taxable, you will see two options in the tax status drop-down menu: 2 – Non-taxable Governmental and 3 – Non-Taxable
   c. If the selected coverage can either be taxable or non-taxable, you will see three options in the drop-down menu: 0 – Taxable, 2 – Non-taxable Governmental, and 3 – Non-taxable
   d. **Note:** Tax Status 2 – Governmental should only be selected if the insured is a federal or state municipality

**Once the Coverage Information section is complete, click “Next”**
Transaction Information
Enter the following transaction information:

(1) Transaction Type – select from the following:
   a. New Business
   b. Additional Premium
   c. Return Premium
   d. Cancellation
   e. Renewal
   f. Reinstatement

(2) Transaction Effective Date – enter the effective date of the transaction (transaction
effective date = policy effective date for New Business or Renewal filings)
   a. Policy Description – this box only appears for certain transactions; a list of the
      Policy Descriptions and definitions can be found at
      i. Select "None of These" if the policy descriptions do not correspond to the
         transaction you are filing
   b. Issue Date – this field only appears for certain transactions; enter the date the
      transaction was issued by the carrier (this date may be the same as the transaction
      effective date)

(3) Insurer – Select the surplus lines insurer from the drop-down list. If the insurer does not
appear in the list provided (i.e., is not on Florida’s Eligible Insurer List

(4) Florida Allocated Premium – Enter the portion of the premium allocated to the Florida
risk (do not use dollar signs ($) or commas (,) when entering the premium value)
   a. Note: Florida Allocated Premium should not include the taxes, service fees,
      FHCF assessment, Citizens assessment, or EMPA surcharge. These charges are
calculated automatically by IPC SLIP.

(5) Policy Fees – Enter all policy, inspection, membership, and broker fees charged on the
policy; if no fees were charged, enter zero “0”

(6) Total Policy Premium – this field only appears if you indicated you are filing a multi-
state risk in the Insured Information section; enter the premium for the entire multi-state
risk (all states of exposure)

(7) Comments – this field is optional; comments are for IPC SLIP users to make internal
notes for each transaction

Once the Transaction Information section is complete, click “Next”

Review & Submit
Review and edit the policy data submitted for each section above. If you need to amend policy
information for one of the sections, you can click the “edit” button located in that section, edit
the incorrect data, and click “Save.” If the data submitted is correct, click “Submit.”

A pop-up box will appear with the applicable charges for the transaction submitted. Click
“Okay” to continue. After submitting, you can “Return to the Home Page,” “Enter Another New
Policy” or “File an Endorsement.”
Printing the Invoice

There are two ways to print an invoice:

1. After submitting, an invoice link will appear on a pop-up box. Click the invoice link to open and print the invoices in a separate window.
2. Go to the Policy Search tab, searching for the policy, click the Edit icon next to the policy number, and clicking the invoice number in the transactions grid.

IPC SLIP users can also print transaction details for each accepted transaction by going to the Policy Search tab, searching for the policy, click the Edit icon next to the policy number, and clicking yellow paper icon next to the invoice number in the transactions grid.

Filing an Endorsement

To file an endorsement, go to the Policy Search tab → search for the policy → click the Edit icon next to the policy number → click the “Add Transaction” button

1. Select a Coverage Type – the system will provide the coverage code used on the new business or renewal filing and the option to add a new coverage code
2. Enter the following information on the Transaction Information Screen:
   a. Transaction Type – select from the following:
      i. Additional Premium
      ii. Return Premium
      iii. Cancellation
3. Transaction Effective Date – enter the effective date of the endorsement
   a. Policy Description – this box only appears for certain transactions; a list of the policy descriptions and definitions can be found at http://www.fslso.com/faq/index.aspx?id=430
      i. Select “None of These” if the policy descriptions do not correspond to the transaction you are filing
   b. Issue Date – this field only appears for certain transactions; enter the date the endorsement was issued by the carrier (this date may be the same as the transaction effective date)
4. Insurer – Select the surplus lines insurer from the drop-down list. If the insurer does not appear in the list provided (i.e., is not on Florida’s Eligible Insurer List http://www.fslso.com/tools/insurer.aspx), please select “Other Surplus Lines Insurer.”
5. Florida Allocated Premium – Enter the portion of the endorsement premium allocated to the Florida risk
6. Policy Fees – Enter all policy, inspection, membership, and broker fees charged on the for the endorsement; if no fees were charged, enter zero “0”
7. Total Policy Premium – this field only appears if you indicated you are filing a multi-state risk in the Insured Information section; enter the premium for the entire multi-state risk (all states of exposure)
8. Comments – this field is optional; comments are for IPC SLIP users to make internal notes for each transaction
9. Supporting Documentation – return premium and cancellation transactions require a copy of the endorsement from the carrier. To upload the endorsement, click the “Browse” button, locate the file on the computer, and click “Add File.” Since IPC filers can now
upload endorsements when filing credit transactions, they are no longer required to remit a copy of the endorsement with payments. FSLSO does not require copies of additional premium endorsements.

**Once the Transaction Information section is complete, click “Save”**

The system will redirect you to the Transaction Details screen, and the invoice for the endorsement will be listed in the Transactions grid. Click on the invoice number to print the invoices.

### Section III: Editing and Correcting Policy Data

Non-financial information on the policy level (Policy and Insured Information sections) can be edited at any time. Go to the Policy Search tab → search for the erroneous policy → click the Edit icon next to the policy number for the erroneous transaction → click the “Edit” button in the section that needs to be edited → edit the data that is incorrect → click “Save”

There are three ways to correct an erroneous IPC filing:

1. **Delete** a TIQ’d transaction
2. **Archive** an unpaid transaction
3. **Backout** a paid transaction

**Transactions in Question (TIQs)**

A Transaction in Question, or TIQ, is a transaction that has not yet been accepted or invoiced by the FSLSO. Common reasons for a transaction being questioned can be found in the IPC FAQs at [http://www.fslso.com/faq/index.aspx?id=429](http://www.fslso.com/faq/index.aspx?id=429). A TIQ either has to be corrected by the IPC filer or accepted by FSLSO. Once a TIQ is corrected/accepted, the IPC invoice will be sent to the user’s SLIP inbox and will be available for printing in the Policy Search section of SLIP. Visit the following FAQ for instructions on how to receive the invoice for a TIQ’d transaction: [http://www.fslso.com/faq/index.aspx?id=437](http://www.fslso.com/faq/index.aspx?id=437)

**Correcting a TIQ**

Transaction data on a TIQ can be corrected by going to the Policy Search tab → click the “Only Display Policies That Have TIQs” box → click “Search” → click the Edit icon next to the policy number with the TIQ → click the Edit icon to the left of the questioned transaction → edit the data that is incorrect → click “Save”

**Deleting a TIQ**

A TIQ can be deleted by going to the Policy Search tab → click the “Only Display Policies That Have TIQs” box → click “Search” → click the Edit icon next to the policy number with the TIQ → click the Edit icon to the left of the questioned transaction → click the “Delete” button at the bottom of the transaction details page.
Archiving a Transaction
Only accepted (invoiced) transactions that have not been paid can be archived. Archiving a transaction will delete the transaction data, as well as the invoice associated with the transaction. *Archived invoices should not be paid.*

To archive a transaction go to the Policy Search tab ➔ search for the erroneous policy ➔ click the Edit icon next to the policy number for the erroneous transaction ➔ click the Edit icon to the left of the incorrect invoice number ➔ click the “Archive” button at the bottom of the transaction details page
(1) Supporting Documentation – you can upload documentation supporting the reason for the archive (i.e., upload policy declarations page showing admitted insurer); this field is optional for archives
(2) Archive Reason – select the reason the invoice is being archived from the drop-down list; if the reason for the archive is not in the list please select “Other.”
(3) Comments – this field is optional for all archive reasons except “Other.”

Once the required archive information has been completed, click “Save”

Filing a Backout Transaction
Backout transactions are used to correct transactions that have been paid and imported into the FSLSO database. A backout transaction will create a credit invoice to reverse the original filings. All backout transactions require supporting documentation and approval by FSLSO.

To backout a transaction, go to the Policy Search tab ➔ search for the erroneous policy ➔ click the Edit icon next to the policy number for the erroneous transaction ➔ click the Edit icon to the left of the incorrect invoice number ➔ click the “Backout” button at the bottom of the transaction details page
(1) Supporting Documentation – upload documentation supporting the reason for backing out the transaction (i.e., upload policy declarations page showing admitted insurer); this field is required for all backout transactions

Once the required archive information has been completed, click “Save”

Backout transactions will be TIQ’d until approved by FSLSO. The credit invoice will be available in SLIP once the backout transaction is approved by FSLSO.

Section IV: Payment Remittance Procedures

FAQs ➔ Independently Procured Coverage ➔ Payment Questions
Important Payment Facts

- All IPC payments are due 30 days from the date the transaction is invoiced in IPC SLIP.
- Service fees (-F invoices) totaling $2.00 or less will not be charged or invoiced. Likewise, service fee credits between $0.00 and ($2.00) will not be invoiced or refunded.
- All taxes, fees, and assessments are calculated based on the Florida allocated premium plus all policy fees.
- Visit the FSLSO Tax/Fee/Assessment Table to view the current charges invoiced by FSLSO.
- Use the FSLSO Tax/Fee/Assessment Calculator to estimate charges prior to filing the transaction.

Payment Addresses

Separate payments are required for each type of invoice (i.e., T, F, H, E, C). Payments for invoices of the same type (ending in the same letter) can be combined into one check.

The payees for each type of invoice are as follows:

Taxes (“T” invoices)
Make payable to: Florida Department of Financial Services

Service Fees (“F” invoices)
Make payable to: Florida Surplus Lines Service Office

FHCF Assessments (“H” invoices)
Make payable to: Florida Hurricane Catastrophe Fund

Citizens Assessments (“C” or “A” invoices)
Make payable to: Citizens Property Insurance Corp.

EMPA Surcharges (“E” invoices)
Make payable to: Florida Department of Community Affairs

All IPC payments should be mailed to:    Overnight Address:
FSLSO IPC                        Wachovia Bank
PO Box 864596                   FSLSO IPC/Lockbox #864596
Orlando, FL 32886-4596         11050 Lake Underhill Road
                                Orlando, FL 32825

Please attach copies of the invoices to the payments prior to mailing.

Delinquent Payments

All delinquent invoices are subject to statutory interest penalties under F.S.626.938(5). The insured will be notified of all delinquent invoices submitted on their behalf. Unpaid balances will be referred to the appropriate state agencies for administrative and/or civil action, per F.S.626.938(6).
Section IV: Refund Requirements


IPC credit invoices may be applied to other outstanding IPC invoices, or refunded directly to the insured. If the agency has already refunded the monies to the insured, the refunds can be issued directly to the agency upon receipt of item number four below. All credits expire 90 days from the date of the invoice. Credits must be applied or requested to be refunded within 90 days of the date of the invoice or the credit will expire and the invoice will be deleted. Expired credit transactions may be resubmitted to create new invoices at any time.

The following documentation is required to process IPC tax, service fee, Citizens assessment, EMPA surcharge, and Florida Hurricane Catastrophe Fund (FHCF) assessment refunds:

1. A written refund request (i.e., cover letter or email) explaining the reason for the refund(s)
2. A copy of the credit invoice(s) to be refunded
3. A copy of the return premium endorsement issued by the insurance company or supporting documentation indicating a credit amount is due
4. Proof that the agency has refunded the taxes, fees, assessments and surcharges to the insured (note: this is only required if the refunds are being issued to the insurance agency in lieu of the insured)
5. Refund application(s) for the charge(s) being refunded (note: It is not necessary to complete an application in order to request a refund for FSLSO service fee invoices (-F))

Original signatures on the applications are required to process the refunds. Completed refund documentation should be mailed to the address below:

FSLSO
Attn: IPC Department
1441 Maclay Commerce Drive, Suite 200
Tallahassee, FL 32312

All IPC refunds are processed by FSLSO within 30 days of the receipt of the refund documentation. Refunds are issued by the agencies below four to six weeks from the receipt date:

- **Taxes** (“T” invoices) issued by Florida Department of Financial Services
- **Service Fees** (“F” invoices) issued by Florida Surplus Lines Service Office
- **FHCF Assessments** (“H” invoices) issued by State Board of Administration
- **Citizens Assessments** (“C” or “A” invoices) issued by Citizens Property Insurance Corp
- **EMPA Surcharges** issued by Florida Department of Community Affairs
Section VI: IPC Contact Information

**IPC Collections Coordinator**
Tiffany Maruniak  
Email: tmaruniak@fslso.com  
Phone: (800) 562-4496 x113  
Fax: (850) 513-9624

**IPC Collections Specialist**
Holly Grissom  
Email: hgrissom@fslso.com  
Phone: (800) 562-4496 x127  
Fax: (850) 513-9624

**FSLSO Mailing Address**
1441 Maclay Commerce Drive  
Suite 200  
Tallahassee, FL 32312

**FSLSO Phone Numbers**
Toll Free: (800) 562-4496 (option 5 for IPC Department)  
Main Number: (850) 224-7676