

U. S. Department of Labor

Office of Workers' Compensation Programs
Division of Longshore and
Harbor Workers' Compensation
200 Constitution Avenue, Room C-4319
Washington, DC 20210



January 18, 2017

Notice No. 159

To: Insurance Carriers and Self-Insured Employers under the Longshore and Harbor Workers' Compensation Act, and its extensions, and the District Of Columbia Compensation Act

Subject: 2017 Advance Assessment for the Special Fund and Submission of Form LS-513 via the Longshore Electronic Access Forms Submission (LEAFS)

Notice: This notice transmits the 2017 Advance Assessment bill, and Form LS-513, Report of Payments.

Electronic submission of LS-513: You can submit the LS-513 and supporting documentation electronically via [the Longshore Electronic Access Forms Submission \(LEAFS\) on-line web portal](#).

Payment instructions: When submitting payment, you should follow the payment instructions located on pages 2 and 3.

YOUR ASSESSMENTS

Authority: Section 44 of the Longshore and Harbor Workers' Compensation Act (LHWCA) provides for an annual assessment of each authorized insurance carrier and self-insured employer for payment into the Special Fund, to provide for payments described under Section 44(i). Separate accounts are maintained for the District Of Columbia Compensation Act (DCCA) and the LHWCA and its extensions (Defense Base Act, Outer Continental Shelf Lands Act and Non-Appropriated Fund Instrumentalities Act), and separate instructions apply for reporting payments.

LHWCA Assessment: This notice transmits your LHWCA Advance Assessment bill, calculated using: 1) your company's reported compensation payments for calendar year (CY) 2015, 2) the total of all compensation payments reported for CY 2015 (the latest data available at this time), 3) CY 2016 Section 8(f) costs attributable to your company, 4) the total of all CY 2016 Section 8(f) costs, and 5) the estimated CY 2017 LHWCA Special Fund expenditures. The amount due for your CY 2017 Advance Assessment is shown at the bottom of the billing form.

This notice also transmits Form LS-513, Report of Payments. Your company's compensation payments reported on the LS-513 for CY 2016, along with your share of the Special Fund's costs during CY 2016 under Section 8(f), will serve as the basis for determining the amount of your company's 2017 Final Assessment later this year; therefore, please ensure that the report is correct in accordance with the instructions provided. The instructions for completion and submission of this form are contained in this notice and also posted on our website at: <http://www.dol.gov/owcp/dlhwc>

DCCA Assessment: This notice transmits your DCCA Advance Assessment bill, calculated using: 1) your company's reported compensation and medical payments for CY 2015, 2) the total of all compensation and medical payments reported for CY 2015 (the latest data available at this time), and 3) the estimated CY 2017 DCCA Special Fund expenditures. The amount due for your CY 2017 Advance Assessment is shown at the bottom of the billing form.

This notice also transmits Form LS-513, Report of Payments. Your company's compensation and medical payments reported on the LS-513 for CY 2016 will serve as the basis for determining the amount of your company's 2017 Final Assessment later this year; therefore, please ensure that the report is correct in accordance with the instructions provided. The instructions for completion and return of this form are contained in this notice and also posted on our website at: <http://www.dol.gov/owcp/dlhwc>

- For the DDCA assessment, please report only compensation and medical payments where the date of injury was prior to July 26, 1982.

PAYING YOUR ASSESSMENT(S)

Payment of Advance Assessment Bill: The U.S. Treasury has mandated that payments to the Federal government be conducted by FedWire/ACH credit to the greatest extent possible. Do not combine payments for the LHWCA assessment and the DCCA assessment.

Payment Option 1 - To process a Fed Wire with Treasury New York, you MUST email your wire instructions to the Longshore Assessment Questions email box: Longshore_Assessment_Questions@dol.gov with the subject line "WIRE INSTRUCTIONS**" prior to the transaction. When emailing this information you must also include your company's name, the bill number (Bill No.) and sequence number (SEQ) as shown on the bill; the bill and sequence number can be found on the top left hand corner of your bill.**

Bank: Federal Reserve Bank of New York
Routing number: 021030004
Account number: 16150003

Payment Option 2 – Submit a check made payable to U.S. Department of Labor, with a copy of the bill, to the address below. Please note that your check will be converted to an electronic fund transfer and electronically debited to your account. The original check will be destroyed, but a copy will be retained.

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Payments should not be combined:

- **Do not combine payments for subsidiary companies that fall under your control.**
 - If paying by check, you should submit a separate check for each subsidiary with a corresponding bill attached.

- If paying by wire, your wire instructions should clearly reflect the subsidiaries for which you are forwarding payment and the individual amounts remitted.
- **Do not combine payments for the LHWCA assessment and the DCCA assessment.**
- **Do not net credits against balances due.** Your payment should reflect the full amount shown on the individual bill.

SUBMITTING YOUR LS-513

Submission of LS-513 (And Supporting Documentation): The Longshore Electronic Access Forms Submission (LEAFS) web portal was deployed in 2015 so that stakeholders can electronically submit the Form LS-513, Report of Payments, and the required supporting documentation to OWCP. Access LEAFS at the following web address:

<https://seaportal.dol-esa.gov/leaf>

Electronic submission of the LS-513 and supporting documentation replaces the submission of the documents via mail. **If the documents are submitted through LEAFS, they do not have to be mailed to OWCP.**

Your company does not need to register or obtain a password to use LEAFS. You need only your company's OWCP Sequence (SEQ) number and your EIN (tax ID number). Both of these can be found on the top left hand corner of the Advance Assessment bill that is attached to this notice. Once you log in, the process can be completed in 5 quick and easy steps.

- Step 1 - Complete the form on-line
- Step 2 - Print the form, sign and scan it
- Step 3 - Upload the signed form (in pdf format)
- Step 4 - Upload the supporting documentation (in pdf, tif or excel format)
- Step 5 - Review the uploaded documents and submit

LEAFS will walk you through each step and then provide you a tracking number to confirm receipt.

If no payments have been in the prior year, and the electronic LS-513 reflects \$0 paid, Step 4 is not required to complete the submission. Also, if you submit the LS-513 and supporting documentation and then later need to amend and resubmit the information, this can also be done via LEAFS. OWCP/DHLWC will use the latest documents uploaded.

Note – If you are unable to use the LEAFS portal, you may still submit your LS-513 and supporting documentation to the OWCP/DLHWC in Washington, DC. Please use the address provided above for the submission of a paper check. Do not submit the form or the supporting documentation via email.

YOUR DEADLINES

Due Dates:

Payment of the Advance Assessment bill is due by **February 20, 2017**.

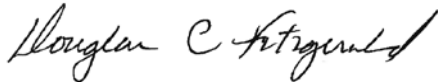
The LS-513 (and supporting documentation) is due by **February 20, 2017**.

- Amendments are discouraged, but if necessary must be submitted by March 10, 2017.
- Late amendments may not result in an assessment change.

Questions: For questions pertaining to this year's advance assessment or the submission of the LS-513, please submit your inquiry to the Longshore Assessment Questions email box at the following address:

Longshore_Assessment_Questions@dol.gov

You may also call the OWCP/DLHWC Branch of Financial Management Insurance and Assessments at (202) 354-9620.



Douglas C. Fitzgerald
Director, Division of Longshore and
Harbor Workers' Compensation

INSTRUCTIONS FOR COMPLETING FORM LS-513, REPORT OF PAYMENTS

GENERAL - Pursuant to Section 44 of the Longshore and Harbor Workers' Compensation Act, all authorized insurance carriers and self-insured employers under the Longshore Act and extensions, including the District of Columbia Compensation Act, are required each year to complete and file with the Office of Workers' Compensation Programs the attached Form LS-513. The form must be completed to show the number of cases and all compensation and medical payments made under the Act(s) during calendar year 2016. For DBA cases, the number of cases and all compensation and medical payments must be reported separately by the Contracting Agency. For example, the total number of cases and payments for the Department of Defense must be reported in the fields indicated on the form and cannot be combined with cases and/or payments from any other agency.

NOTE: A detailed listing must be submitted with the LS-513 supporting the figures, and it must contain the following:

(1) Claimant's Name (2) OWCP File Number (3) Social Security Number (4) Date of Injury (5) State or Country of Injury (6) Act under which payments made (7) Indemnity/Medical paid in CY 2016 (8) For DBA cases only, the Contracting Agency as entered on the Employer's First Report of Injury or Occupational Illness (LS-202)

WHAT MUST BE REPORTED ON FORM LS-513:

- 1) All categories of compensation (under Sections 6, 8, 9, and 44(c)(1)) paid during calendar year 2016 and reportable on an LS-208. This includes additional compensation under Section 14(e) and (f). Compensation is considered paid when a check is issued and not when the check is cashed.
- 2) Attorney's fees assessed against the employer/carrier under Section 28(a) & (b) are NOT considered compensation; however, attorney's fees which are a lien on compensation under 28(c) are reportable.
- 3) All penalties and interest payable to the claimant are considered compensation and therefore reportable.
- 4) Section 8(i) settlements (including annuities) are fully reportable as compensation and/or medical in the year paid.
- 5) Reimbursement to employer/carriers on cases where Section 8(f) relief is ultimately granted are NOT to be deducted from total payments.
- 6) Medical payments must be reported on all lost time claims, including hearing loss claims, closed cases, and claims paid under Section 8(f) and claims where only compensation has been settled under Section 8(i).
- 7) Medical payments should include impartial medical examinations ordered by OWCP but paid by the employer/carrier.
- 8) All payments for reimbursement from an excess/reinsurance Carrier or a national/state assigned risk pool must be reported by the primary employer/carrier.
- 9) Any payments made directly to claimants by an excess/reinsurance Carrier must be reported by the primary employer/carrier.

- 10) Any payments made under a so-called "deductible" policy provision must be reported by the insurance carrier that issued the policy.
- 11) Reports should include gross amounts paid and should not be offset to reflect receipt of any 3rd party recoveries or subrogation actions.
- 12) When an employer continues to pay full salary to an employee, the amount of compensation which is due the claimant must be reported. Payments must be reported for employees who are disabled and given sheltered employment during the period of recovery.
- 13) All payments made under state compensation statutes to concurrent longshore workers must be reported. If the state amount exceeds that due under Longshore only the lesser amount is reportable. If the state amount is less than that due under Longshore then both must be reported. Such payments must be reported even if a formal claim has not been filed under the Longshore Act and also must be reported if subject to a state assessment formula.

REMINDERS:

- 1) Compensation may **NOT** be reduced or credited due to actual or anticipated subsequent events, reversal on appeal, salary continuance, or credit under a State Act.
- 2) All payments made under the **DEFENSE BASE ACT** must be reported and segregated by Contracting Agency.
- 3) No credit is allowed for cases which may be recoverable in the future under the **War Hazards Compensation Act** (WHCA). Once a case is accepted under the WHCA by OWCP's Division of Federal Employees' Compensation, those claims need not be reported for the calendar year in which they are actually accepted or any year in the future. No credit will be given for amounts reimbursed from the WHCA.
- 4) Under the **DISTRICT OF COLUMBIA COMPENSATION ACT** only compensation and medical payments made during calendar year 2016 where the injury date is prior to 7/26/82 should be reported.
- 5) If the employer/carrier **reports zero (\$0) payments** a report must be submitted showing the total payroll for covered Longshore employees during the calendar year. If there is no payroll, the report must confirm this.

ACCURACY OF SUBMISSION:

The employer/carrier is ultimately responsible for reporting payments correctly. Third party adjusters or other agents are responsible to their principals for accurate reports. When a third party supplies the data the principal payer must sign and attest to the correctness of the LS-513.

An independent certification is no longer required. Instead the Department of Labor will conduct periodic random audits on a sample of employers and carriers each year. In support of this all employers and carriers must maintain claims detail data which verify the figures reported on the LS-513. Prior audits have resulted in improved and more accurate reporting under the Act.