

January 31, 2014

NOTICE TO INSURANCE CARRIERS AND SELF-INSURED EMPLOYERS
LONGSHORE (LS) AND HARBOR WORKERS' COMPENSATION ACT AND DISTRICT
OF COLUMBIA (DC) COMPENSATION ACT

SUBJECT: 2014 Advance Assessment for the Special Fund pursuant to Section 44 of the
Longshore Act – **Payment Due March 7, 2014**

Section 44 of the Longshore and Harbor Workers' Compensation Act provides for an annual assessment of each authorized insurance carrier and self insurer for payment into the Special Fund, to provide for payments described under Section 44(i). Separate accounts are maintained for the District of Columbia Act and the Longshore Act and its extensions. Separate instructions apply for reporting payments under the DC Act and the Longshore Act and its extensions (Defense Base Act, Outer Continental Shelf Lands Act and Nonappropriated Fund Instrumentalities Act).

PLEASE READ ALL INSTRUCTIONS CAREFULLY.

FORM LS-513, REPORT OF PAYMENTS - LONGSHORE

This notice transmits Form LS-513, Report of Payments. The instructions for completion and return of this form are also posted on <http://www.dol.gov/owcp/dlhwc>. This report, along with your share of the Special Fund's costs during calendar year 2013 under Section 8(f), will serve as the basis for determining the final amount of your company's 2014 assessment. Please make sure that the report is correct in accordance with the instructions provided.

ADVANCE ASSESSMENT - LONGSHORE

This notice also transmits your Longshore Act advance assessment billing, calculated using your reported compensation payment figure for calendar year (CY) 2012 the total of all compensation payments reported for CY 2012, (the latest data available at this time), plus CY 2013 Section 8(f) costs, the total of all CY 2013 Section 8(f) costs, and the estimated CY 2014 Longshore Act Special Fund expenditures. The amount due for your CY 2014 advance assessment is shown at the bottom of the billing form.

FORM LS-513, REPORT OF PAYMENTS - DC

This notice transmits Form LS-513, Report of Payments. The instructions for completion and return of the form are also posted on <http://www.dol.gov/owcp/dlhwc>. This report, along with your share of the total compensation and medical payments reported during calendar year 2013 will serve as the basis for determining the final amount of your company's 2014 DC assessment. Please report only compensation and medical payments where the date of injury was prior to July 26, 1982 under the DC Act and make certain that the report is correct in accordance with the instructions provided.

ADVANCE ASSESSMENT - DC ONLY

This notice also transmits your District of Columbia Compensation Act advance assessment billing, calculated using your reported compensation and medical payments for calendar year (CY) 2012, and the total of all compensation and medical payments reported for CY 2012 (the latest data available at this time), and the estimated CY 2014 District of Columbia Special Fund expenditures.

(1) The U.S. Treasury has mandated that payments to the Federal government be conducted by FedWire/ACH credit to the greatest extent possible. Also you may now consolidate all bills for 8130 (Longshore) in one payment and 8134 (DC) in one payment.

(2) Forward the **BILL and CHECK and the completed LS-513, Report of Payments**, to this address but do not combine Longshore and DCCA:

U.S. DEPARTMENT OF LABOR - Longshore
200 Constitution Avenue N.W. – Room C-4319
Washington, D.C. 20210

Please note 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.

(3) **You may also process a Fed Wire with TREASURY New York.**

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

You must FAX a copy of the bill and your wire instructions with the sequence number and bill number to (202) 693-1380 prior to the transaction.

All payments are due **March 7, 2014** and LS-513 reports must be submitted no later than **March 28, 2014**. For any questions pertaining to this year's advance notice please contact Kathy Blackwell at (202) 693-0590 or fax (202) 693-1380 or (email) blackwell.kathy@dol.gov

ANTONIO RIOS
Director, Division of Longshore and Harbor
Workers' Compensation

INSTRUCTIONS FOR SUBMITTING FORM LS-513, REPORT OF PAYMENTS, FOR DETERMINATION OF ASSESSMENT UNDER THE LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT, AND EXTENSIONS.

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 2013. For DBA cases, the number of cases and all compensation and medical payments must be reported separately by 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) Claimants 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 2013. (8) For DBA cases only, the Contracting Agency as entered on the Employer's First Report of Injury or Occupational Illness (LS-202) This report may also be submitted in an electronic version.

* DEFINITION OF WHAT MUST BE REPORTED ON FORM LS-513

- All categories of compensation (under Sections 6, 8, 9, and 44(c) (1)) paid during calendar year 2013 and reportable on an LS-208 must be reported on the LS-513. 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.
- 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.
- All penalties and interest payable to the claimant ARE considered compensation and therefore reportable.
- Section 8(i) settlements, (including annuities) are fully reportable as compensation and/or medical in the year paid.
- Reimbursement to employer/carriers on cases where Section 8(f) relief is ultimately granted are NOT to be deducted from total payments.
- Medical payments should include impartial medical examinations ordered by OWCP but paid by the employer/carrier. 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.

- Under the DISTRICT OF COLUMBIA COMPENSATION ACT only compensation and medical payments made during calendar year 2013 where the injury date is prior to 7/26/82 should be reported.
- All payments for reimbursement from an excess/reinsurance Carrier or a national/state assigned risk pool **MUST BE REPORTED** by the primary employer/carrier.
- Any payments made directly to claimants by an excess or reinsurance carrier **MUST BE REPORTED** by the primary employer/carrier.
- Reports should include gross amounts paid and should not be offset to reflect receipt of any 3rd party recoveries or subrogation actions.
- Any payments made under a so-called “deductible” policy provision must be reported by the insurance carrier that issued the policy
- All payments made under the **DEFENSE BASE ACT** must be reported and segregated by Contracting Agency. No credit is allowed for cases which may be recoverable in the future under the War Hazards Compensation Act (WHA). Once a case is accepted by the WHA claims staff under the WHA, 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 WHA.
- 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.
- 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.
- 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.
- 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).
- A CORRECT and ACCURATE LS-513 is due by March 28, 2014. Amendments are discouraged and must be submitted by July 1, 2014. Late amendments may not result in an assessment change.

- 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.

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. Numerous companies have undergone audits in the past which has resulted in improved and more accurate reporting under the Act.

For clarification or questions, please contact:

Kathy Blackwell
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(202) 693-1380
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