



July 1, 2003

File Number:

Notice 111

**NOTICE TO INSURANCE CARRIERS UNDER THE LONGSHORE AND HARBOR
WORKERS' COMPENSATION ACT AND EXTENSIONS**

SUBJECT: ANNUAL REPORT OF OUTSTANDING LIABILITIES FORM LS-274

In connection with the privilege to write workers' compensation insurance under the Longshore and Harbor Workers' Compensation Act, and extensions, this Office requires certain authorized insurance carriers to submit an annual report of outstanding workers' compensation liabilities under the Act and its extensions, as of June 30 of each year. **The report due no later than September 1, 2003, should show the following information for each open case as of June 30, 2003:**

1. **State the insurance carrier's name and address** in the blocks provided on the report. This is needed for identification purposes. Do not omit this information.
2. **Furnish the authorization number** of the insurance carrier following its name on the report. This information was given to the insurance carrier at the time the company was authorized to write Longshore Act coverage.
3. **Show the date of the report in the appropriate block.**
4. **List the Social Security Number of each claimant in column (a).** The employer's or carrier's file number is no longer required.
5. **List the OWCP case number for each open claim in column (b).** Include in the report all controverted claims and cases paid by the Special Fund where the employer is still liable for any medical benefits and cases in excess insurance status. It is the responsibility of every reporting insurance carrier to record the OWCP case numbers of all of their claims and report those numbers on the LS-274.
6. **Give the date of injury for each open claim, in chronological order, for each July 1 through June 30 period in column (d).** The dates of injury should correspond to the insurance carrier's period of authorization.
7. **Identify the nature of injury in column (e).** Abbreviations for injury types may be used but an annotation of "occupational" or "traumatic", etc. is not acceptable.
8. **State the total amount of benefits paid for each reported claim in column (f).** This means that all compensation and medical benefits from the date of injury to the date of the report should be declared for each open case.

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9. Give an estimate of the total future compensation to be paid for each claim in column (g). This total amount should be based upon a worst case basis. It should not be reduced for expectations of reimbursement from a re-insurance carrier, an anticipated third party recovery, anticipated lump sum settlement or pending second injury fund authorization. Attorney fees and administrative expenses should not be included.

10. Give an estimate of the total future medical benefits to be paid for each claim in column (h). The same method of reporting applies as mentioned in number 9.

11. Add the amounts in columns (g) and (h) and declare it in column (i).

12. Subtotals of the estimated future payments in columns (g), (h) and (i) are to be provided for each July 1 to June 30 period.

13. Identify third party claims in column (j).

14. Identify fatal cases in column (k).

15. Declare a grand total for columns (g), (h) and (i).

16. Insurance Carriers with no open claims must still file Form LS-274.

The report of outstanding liabilities may be submitted on Form LS-274, Report of Injury Experience of Insurance Carriers (copy enclosed), or in a similar format that provides the same information. However, if the similar report does not furnish the same information as requested in the LS-274 then it is not acceptable.

Insurers must provide separate reports for the Act and each of its extensions, (i.e., Longshore and Harbor Workers' Compensation Act, Outer Continental Shelf Lands Act, Defense Base Act, and Nonappropriated Fund Instrumentalities Act). Also, insurers with subsidiaries authorized under the Act must provide separate reports for each subsidiary.

This insurance carrier's annual report of outstanding liabilities is due no later than September 1, 2003 and must include a separate notarized statement signed by a corporate officer attesting to the completeness and accuracy of the information provided. Officials of entities under the Nonappropriated Fund Instrumentalities Act should also submit notarized certifications.

Certification of the Report of Outstanding Liabilities by other than corporate officers as stated above will not be accepted. The signed statement should be on a separate letterhead. Please indicate in your correspondence the name and telephone number of the person to be contacted in the event there are any questions. A negative report (no open cases) must also be accompanied with the same separate notarized statement from a company official as mentioned earlier in this notice.

Failure to submit the complete report as outlined in this Notice may result in the termination of your authorization to write coverage under the Longshore Act and extensions.

Your report should be addressed as follows:

U.S. Department of Labor
ESA/OWCP/DLHWC, Room C-4315
200 Constitution Avenue, N.W.
Attention: Michael Niss
Washington, D.C. 20210

This insurance carrier authorization cannot be transferred, and it cannot be assigned. Any change involving the corporate name, structure, ownership, organization, etc., may affect the insurance carrier's authority and must be brought to the attention of this Office prior to the effective date of the event.

For further information you may contact Ms. Linda Myer at (202) 693-0289.

Michael Niss
Director, Division of
Longshore and Harbor
Workers' Compensation

Enclosure