



September 16, 2020

Notice No. 182

NOTICE TO INSURANCE CARRIERS, SELF-INSURED EMPLOYERS UNDER THE LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT AND ITS EXTENSIONS, AND OTHER INTERESTED PERSONS

SUBJECT: Maximum and Minimum Compensation Rates under the Longshore Act, Effective October 1, 2020; Adjustments of Permanent Total Disability and Death Cases

Section 6(b)(3) of the Longshore and Harbor Workers' Compensation Act (LHWCA) provides that prior to October 1 of each year, based on the national average weekly wage (NAWW) for the three calendar quarters ending June 30 of that year, the Secretary of Labor shall determine the NAWW to be applicable for the 12-month period beginning October 1. The applicable NAWW for the period beginning October 1, 2020, and ending September 30, 2021, is \$816.35.

Minimum and Maximum Rates

Section 6(b)(1) provides that the maximum rate of compensation under this Act shall not exceed 200 percent of the NAWW. Therefore, the maximum compensation rate for total disability and death is \$1,632.70 (200 percent of \$816.35). Compensation for disability subject to this maximum should be paid at 66 2/3 percent of the employee's average weekly wage (AWW), as determined under Section 10, subject to the limitation of \$1,632.70.

The minimum compensation rate payable for disability incurred after October 1, 2020, is \$408.18 per week, which is 50 percent of the NAWW. However, if an employee's AWW is less than this amount, he or she receives his or her entire AWW as compensation for total disability. The minimum rate does not apply to employees covered by the Defense Base Act.

In computing death benefits covered by this period, the AWW of the deceased employee shall not be less than \$816.35 per week. In addition, under the provisions of the 1984 Amendments, the total weekly death benefits shall not exceed the lesser of (1) AWW of the deceased or (2) 200 percent of the NAWW. The 200 percent maximum benefit is \$1,632.70 per week, and is applicable to cases in which the death occurs during the period October 1, 2020, through September 30, 2021, except for District of Columbia Compensation Act (DCCA) cases.

Annual Adjustments

Under Section 10(f) and 10(h) of the Act, compensation or death benefits payable for permanent total disability or death cases which were incurred prior to October 1, 2020, are increased by a percentage equal to the percentage by which the applicable NAWW for the period beginning October 1, 2020, exceeds the applicable NAWW for the preceding period. (DCCA cases are always subject to the percentage increase in the NAWW). The percentage increase in the NAWW is 4.65 percent effective October 1, 2020.

Insurance carriers or self-insured employers paying benefits under the LHWCA will receive notices from OWCP and/or from the District of Columbia Government of adjustments and should begin paying at the new benefit levels as soon as possible.

In case of questions about implementing these mandatory adjustments, the district offices or the OWCP National Office, Longshore Division (Telephone: (202) 513-6809) may be contacted. For DCCA cases, contact the D.C. Government, Department of Employment Services (Telephone: (202) 671-3093).

Antonio Rios
Director, Division of Federal Employees',
Longshore and Harbor
Workers' Compensation

ⁱ District of Columbia Compensation Act of 1928 which is applicable only to injuries which occurred prior to July 26, 1982.