



NOV 2 1999

File Number:

INDUSTRY NOTICE NUMBER #93
SUBJECT: District of Columbia Special Fund Assessment

This notice is to advise all authorized District of Columbia insurance carriers and self-insurers that the D.C. Special Fund has experienced a shortfall in calendar year 1999 collections due to erroneous initial reporting of payments by several participants. **The District of Columbia Special Fund will be unable to meet its biweekly disbursement roll to about 700 recipients in January 2000. This situation has necessitated an emergency mailing of the advance assessment for calendar year 2000.**

Bills for Collection will be mailed prior to December 1, 1999, with payment due no later than December 30, 1999.

This early collection is a manifestation of what will no doubt become a chronic problem for the D.C. Special Fund. On this occasion it has been caused by the initial erroneous filing of CY98 reports of payments by certain insurance carriers which were not corrected until after the final billing had been calculated and mailed.

There is, however, a long term problem with the District of Columbia Special Fund assessment. Assessments in D.C. are running at over 200% of paid indemnity and medical. This rate will grow as the assessment base continues to decrease in relation to the needs of the D.C. Special Fund. In fact, the divergence will accelerate in the future.

Please carefully consider the implications of this notice and consider it to be a warning of steadily increasing D.C. Special Fund assessments.

Please direct any questions or comments to Carl Abildso at (202) 693-0801. You may also fax your comments to (202) 693-1380.

A handwritten signature in black ink, appearing to read "Michael Niss".

MICHAEL NISS
Director, DLHWC

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