



File Number:

January 29, 2002

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

SUBJECT: 2002 Advance Assessment for the Special Fund pursuant  
to Section 44 of the Longshore Act

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 (DC) 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 NOTICES CAREFULLY.

FORM LS-513, REPORT OF PAYMENTS - LONGSHORE

This notice transmits Form LS-513, Report of Payments, and the instructions for completion and return of this form. This report, along with your share of the Special Fund's costs during calendar year 2001 under Section 8(f), will serve as the basis for determining the final amount of your company's 2002 assessment. Please make sure that the report is correct in accordance with the instructions provided.

FORM LS-513, REPORT OF PAYMENTS - DC

This notice transmits Form LS-513, Report of Payments, and instructions for completion and return of the form. This report, along with your share of the total compensation and medical payments reported during calendar year 2001 will serve as the basis for determining the final amount of your company's 2002 DC assessment. Please report only compensation and medical payments where the date of injury was prior to July 26, 1982 under the DCCA Act and make certain that the report is correct in accordance with the instructions provided.

***Working for America's Workforce***

ADVANCE ASSESSMENT (LONGSHORE)

This notice also transmits your Longshore Act advance assessment billing, calculated using your reported compensation payment figure for calendar year 2000, the total of all compensation payments reported for calendar year 2000, (the only data available at this time), plus CY 2001 Section 8(f) costs, the total of all CY 2001 Section 8(f) costs, and the estimated CY 2002 Longshore Act Special Fund expenditures. The amount due for your CY 2002 advance assessment is shown at the bottom of the billing form.

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 2000, and the total of all compensation and medical payments reported for calendar year 2000 (the only data available at this time), and the estimated CY 2002 District of Columbia Special Fund expenditures.

Please **DO NOT** combine any payments, pay each bill with a separate check, and forward the **bill and check** to this address:

DEPARTMENT OF LABOR - LONGSHORE  
P.O. BOX 371088M  
PITTSBURGH, PA 15251

Please send the completed LS-513, Report of Payments to this office at:

U.S. Department of Labor  
200 Constitution Ave. N.W.  
Room C4315 - Longshore  
Washington D.C. 20210

All payments and documents must be submitted no later than February 28, 2002. For any questions pertaining to this year's advance assessment please contact Carl Abildso at (202) 693-0801 or FAX 693-1380.



MICHAEL NISS  
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 2001.

**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) Indemnity/Medical paid in CY 2001.**  
**This report must be mailed to the Washington D.C. address (on page #2) and should not be sent to the post office box. This report may also be submitted in an electronic version.**

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

- All categories of compensation (i.e. TTD, TPD, PPD, PTD) paid during calendar year 2001 and reportable on an LS-208 must be reported on the LS-513. Compensation is considered paid when a check is issued and not when the check is cashed.
- Attorney's fees assessed against the employer/carrier are NOT considered compensation; however, attorney's fees which are a lien on compensation 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. Do not report medical payments on no lost time cases.
- Third party recoveries may NOT be deducted from payments.

- Compensation may NOT be reduced or credited due to subsequent events, reversal on appeal, or credit under a State Act.
- Under the DISTRICT OF COLUMBIA COMPENSATION ACT only compensation and medical payments made during calendar year 2001 where the injury date is prior to 7/26/82 should be reported.
- Payments under the Defense Base Act, for which reimbursement is expected under the War Hazards Compensation Act, should NOT be reported even though a claim for reimbursement has not yet been made.
- 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.
- Any payments made under a so-called "deductible" policy provision are reportable by the insurance carrier that issued the policy.

#### REQUIREMENT FOR CERTIFICATION OF LS-513

Form LS-513, Report of Payments, must be certified as to the accuracy of the information submitted. This certification must be signed by an independent certified public accountant. The certification must conform to the attached format (Attachment #1). The certifying individual cannot be: (1) an employee of the company submitting the Form LS-513; (2) any subsidiary or affiliate of that company; (3) anyone affiliated with an organization who provides claims services to a self insured employer. The certification must be submitted on the letterhead of the individual or firm performing the audit.

The certification need not accompany the filing of Form LS-513. It must however be submitted no later than 12/31/02 to allow for certification during each company's annual financial audit.

#### EXEMPTIONS

The certification requirement applies to all Forms LS-513, except the following:

- (1) Forms LS-513 showing compensation payments less than **\$200,000** which need only be signed on the reverse of the form.
- (2) Forms LS-513 submitted by self-insured nonappropriated fund instrumentalities need not be certified, other than by an official on the reverse of Form LS-513.

Attachment #1

(Letterhead)

We have audited the compensation and medical payments (as defined in the Longshore and Harbor Workers' Compensation Act, and extensions) included on the accompanying Form LS-513, Report of Payments, of \_\_\_\_\_ Company for the year ended December 31, 2001. Form LS-513 is prepared for the purpose of complying with the Longshore and Harbor Workers' Compensation Act (the "Act") and is the responsibility of the Company's management. Our responsibility is to express an opinion on Form LS-513 based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether Form LS-513 is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Form LS-513. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, Form LS-513 referred to above presents fairly, in all material respects, the compensation and medical payments made by \_\_\_\_\_ Company during the year ended December 31, 2001, as defined in the Act referred to in the first paragraph.

This report is intended solely for the information and use of the board of directors and management of \_\_\_\_\_ company and the Division of Longshore and Harbor Workers' Compensation and should not be used for any other purpose.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date