

State of Alaska Sean Parnell, Governor	Alaska Workers' Compensation Division PO Box 115512 Juneau, Alaska 99811-5512		
Department of Labor and Workforce Development	BULLETIN	Number 13-09	Date December 20, 2013
Dianne Blumer, Commissioner	SUBJECT REFERENCE	Filing Requirements for the 2013 Annual Report; Paying SIF Contributions; Paying Workers' Safety and Compensation Fees AS 23.30.155 & 8 AAC 45.136; AS 23.40.040; AS 23.05.067	

The following are filing requirements for annual reports under AS 23.30.155 & 8 AAC 45.136; paying Second Injury Fund (SIF) contributions under AS 23.30.040; and paying Workers' Safety and Compensation Administration Account (WSCAA) fees under AS 23.05.067 for self-insured employers.

This bulletin supersedes and replaces all prior bulletins regarding filing of annual reports, and SIF & WSCAA contributions.

These requirements are effective for the calendar year 2013 annual report, which is **due on or before March 1, 2014.**

Please review the filing requirements carefully to ensure that your filing is in compliance, and to avoid penalties and interest for incorrect filings.

NOTICE

Electronic Data Interchange (EDI) Submissions – Periodic Annual Reports (AN):

EDI reporting of AN is not available at this time.

Questions concerning the annual report filing or the SIF and WSCAA fees may be addressed to:

Ted Burkhart
 Division of Workers' Compensation
 Department of Labor & Workforce Development
 PO Box 115512
 Juneau, AK 99811-5512
 (907) 465-6055
 Ted.Burkhart@Alaska.gov

Annual Reports of Insurance Distributions

Alaska Statute 23.30.155(m) requires that each insurer or adjuster file a report providing all compensation activity for the previous year annually with the Alaska Workers' Compensation Board. **The report is due on or before March 1st.** Each insurer or adjuster **must also submit the following assessment and fees.**

Assessments and Fees

Together with the annual report, each insurer or the insurer's claims adjuster (Not Both), uninsured employer, or self insured employer must submit payment of their Second Injury Fund (SIF) contribution and their Workers' Safety and Compensation Administration Account (WSCAA) fees.

1. Second Injury Fund Contribution

- The Second Injury Fund (SIF) contribution is due at the time of the annual report filing, **which is on or before March 1st.** *Do not submit SIF contributions with termination reports during the year.*
- SIF contributions are assessed against *each claim, based on the year of the injury and the SIF contribution rate in effect at that time* (see Table 1). The coming year's contribution rate is announced via bulletin each December. See <http://www.labor.state.ak.us/wc/bulletins.htm>.
- SIF contributions are paid on **ALL** claims, irrespective of whether SIF reimbursement is currently being received on the claim. No SIF payment should be submitted for a claim where the SIF assessed amount due is \$20.00 or less.
- A check payable to the Second Injury Fund **must be submitted on or before March 1st.** Interest and penalties will be applied to filings and/or payments received after March 1st. The amount of the SIF payment must equal the total of the "SIF Contribution" column from the annual report. A single aggregate check must be sent for each insurer's report, rather than a separate check for each claimant. If payment being submitted does not match the annual report's SIF total, a breakdown must be included with the payment listing each claimant's name, the AWCB#, and the SIF assessment. **Send SIF payments to the Department of Labor, Second Injury Fund, P.O. Box 115512, Juneau, AK 99811-5512.**

YEAR	RATE
1959-66	2% ppd
1966-70	5% ppd
1971-81	8% ppd
1982-85	6% ttd, tpd, ppi & ptd
1986	5% ttd, tpd, ppi & ptd
1987-89	0%
1990	3% ttd, tpd, ppi & ptd
1991	5% ttd, tpd, ppi & ptd
1992-94	6% ttd, tpd, ppi & ptd
1995	5% ttd, tpd, ppi & ptd
1996	6% ttd, tpd, ppi & ptd
1997-98	5% ttd, tpd, ppi & ptd
1999	6% ttd, tpd, ppi & ptd
2000	5% ttd, tpd, ppi & ptd
2001-08	6% ttd, tpd, ppi & ptd
2009	5% ttd, tpd, ppi & ptd
2010	4% ttd, tpd, ppi & ptd
2011	5% ttd, tpd, ppi & ptd
2012	6% ttd, tpd, ppi, & ptd
2013	6% ttd, tpd, ppi, & ptd
2014	6% ttd, tpd, ppi, & ptd

2. Workers’ Safety and Compensation Administration Account Fee

Insurance companies, self insured employers and uninsured employers are required to pay a service fee for state administration of workers’ compensation (AS 23.05.067).

- **Insurance companies:** The service fee is included in the annual premium tax assessment under AS 21.09.210. There are no additional filing requirements with the Division of Workers’ Compensation. The Alaska Division of Insurance will process the fee transfer.
- **Self-Insured Employers:** The service fee must be submitted with their annual report, **on or before March 1st**. The amount of the service fee is a percentage of the total payments reported on the annual report, excluding the amount of the SIF contribution. The contribution rate for calendar year 2013, due March 1, 2014 is 2.90% (see Table 2).
- **Uninsured Employers:** An uninsured employer who pays benefits directly to an injured worker must submit an annual report and pay the service fee **on or before March 1st**. The amount of the service fee is a percentage of the total payments reported on the annual report, excluding the amount of the SIF contribution. The contribution rate for calendar year 2013, due March 1, 2014 is 2.90% (see Table 2).

	2001	2002	2003	2004 +
Insurance Co's	2.31%	2.17%	2.03%	1.82%
Self Insurers	.90%	1.70%	2.40%	2.90%
Uninsured Employers	3.6%	3.40%	3.20%	2.90%

3. Annual Penalty Assessment Report

Upon completion of the annual report data review, the Workers’ Compensation Division will return a preliminary annual report penalty assessment. **The insurer or adjuster, uninsured employer or self insured employer has 30 days to submit corrections to the original annual report filing.** After 30 days, all penalties are final. Final penalty assessments may be appealed by petition to the Alaska Workers’ Compensation Board.

The Penalty report will include:

- An assessment for unpaid SIF contributions.
- An assessment for unpaid Workers’ Safety and Compensation fees.
- SIF penalties for late compensation report filing, pursuant to AS 23.30.155(c).
- Waiver of 155(c) penalties pursuant to AS 23.30.155(m). Waiver penalties are based on total late payments for reporting year / total all payments for reporting year (p. 82, Legislative Audit Report, No. 07-4601-00, October 31, 1999).
- Civil penalties for late report filing pursuant to AS 23.30.155(m).
- Error listing and civil penalty for incomplete and inaccurate report, pursuant to AS 23.30.155(m) and 8 AAC 45.136.
- **In lieu of the Division’s conversion to Electronic Data Interchange (EDI) reporting on July 22, 2013, penalties will not be assessed for late filed compensation reports filed after July 21, 2013.**

ANNUAL REPORT SUBMISSION

An annual report must be submitted for each insurance company that incurred workers' compensation claims expenses in the reporting year. The report may be submitted by either the insurer or the insurer's claims adjuster, **but not both**. Reports must be submitted electronically; hard-copy paper reports are not accepted. Single file submissions for an entire insurance group will not be accepted. Report submission format is described below, *reports received that are not in the described format will not be accepted and returned, and if applicable, late filing penalties may be applied to resubmission.*

- Submit electronically only. Acceptable methods of transmissions are:
 - 3 ½ inch diskette
 - CD ROM disc
 - Attached document in e-mail file. Acceptable formats: excel spreadsheet or a delimited text file
 - Multiple files maybe submitted in a single email, CD, or diskette. Single file submission for an entire insurance group will not be accepted.
- Submissions by hard-copy paper or by electronic means other than listed above will be returned.
- A separate annual report file must be submitted for each insurance company. The remitter must identify each file submission by name of insurance company and the insurance company's NAIC number.
- Each submission must clearly state:
 - Person responsible for annual report filing
 - Remitter's phone number, e-mail address and mailing address.
 - This information must be on a label adhered to each floppy disk, CD ROM or set out in the body of the e-mail filing.
 - DO NOT file by out of state TPA name or by business account.
- The file is to contain alphanumeric data only, and must not contain any text formatting or text headings. Numeric fields should not contain any symbols such as: \$, comas, formulas, parenthesis, brackets, etc.
- Report **ALL payments** made with payment dates during the 2013 calendar year, regardless of the 'from and through dates'; whether made by the employer, the insurer, or the adjuster (including overpayments and employer wage continuations).
- **The file must be in the same data sequence as indicated in the enclosed record layout.** If you are not reporting a value for a specific field type, **you must enter ("0") value.**
- The AWCB number **MUST** be reported as a nine-character number (i.e.201012345). An extract of injury reports received by the Division during the 2013 calendar year is available upon request.
- Monetary amounts are to be rounded to the nearest whole dollar, with **NO** comma placement for thousand (000) values. Negative values should have a minus (-) sign in front of the value and not brackets. For example: '-100' NOT '(100)'.
- **Submit annual reports to:**

Ted Burkhart
Department of Labor, Second Injury Fund
PO Box 115512
Juneau, AK 99811-5512
Email: Ted.Burkhart@Alaska.gov

ANNUAL REPORT RECORD LAYOUT

Field	Data Type
1. Insurer FEIN	Numeric
2. Claim Administrator FEIN	Numeric
3. AWCB Number	Numeric
4. Insurer Number	Alphanumeric
5. Claimant Name	Alpha
6. Date of Injury	DateTime
7. Medical Benefits	Numeric
8. TTD Paid	Numeric
9. TPD Paid	Numeric
10. PPI Paid	Numeric
11. PTD Paid	Numeric
12. 25% Penalties Paid	Numeric
13. SIF Contribution	Numeric
14. Death Benefits Paid	Numeric
15. Rehab Evaluation Costs	Numeric
16. Rehab Specialist Plan Fees	Numeric
17. Rehab Specialist Monitor Fees	Numeric
18. Rehab Plan Costs	Numeric
19. 23.30.041(k) Paid	Numeric
20. 23.30.041(g) Paid	Numeric
21. Interest	Numeric
22. Employee Attorney Fees	Numeric
23. Employer Attorney Fees	Numeric
24. Litigation Costs	Numeric
25. Other Claim Costs	Numeric

Sample:

Insurer FEIN	TPA FEIN	AWCB	Claim Id	Claimant	DOI	Medical	TTD	TPD	PPD	PTD	Penalty	SIF	Death	Rehab Eval	Rehab Spec	Rehab Monitor	Rehab Plan	O41k	O41g	Interest	EE Fees	ER Fees	Litiga	Other
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25

ANNUAL REPORT DEFINITIONS

1. **Insurer FEIN** – Nine-character federal employer identification number.
2. **Claim Administrator FEIN** - Nine-character federal employer identification number.
3. **AWCB Number** - Nine-character number assigned by the Division for each individual claim. The adjuster is sent a notice of this number when the Division sets up a file.
4. **Insurer Number** - Number assigned by the insurer or adjuster that the Division can use to reference a claim.
5. **Claimant Name** - Best if submitted as Last name, First name
6. **Date of Injury** – The date of reported injury, formatted as mm/dd/yyyy
7. **Medical Benefits** - Includes, physician's fees, nurse's charges, hospital charges, medicine, prosthetic devices, physical therapy, etc.
8. **TTD** - Temporary Total Disability compensation payments
9. **TPD** - Temporary Partial Disability compensation payments
10. **PPI** - Permanent Partial Impairment compensation payments. For injuries prior to July 1, 1988, it is Permanent Partial Disability payments.
11. **PTD** - Permanent Total Disability compensation payments.
12. **25% Penalty** - Penalty amount paid to claimant pursuant to 23.30.155(e) when an indemnity payment is not paid within seven days after it becomes due. (The penalty is 20% for injuries before July 1, 1988).
13. **SIF Contribution** - Amount of Second Injury Fund contribution that is being submitted with the annual report.
14. **Death Benefits** - Amount paid to dependents in cases where injury results in death of an employee. This includes all funeral benefits.
15. **Rehabilitation Evaluation Costs** - Fees paid to rehabilitation specialist to complete an eligibility evaluation.
16. **Rehabilitation Specialist Plan Fees** - Fees paid to rehabilitation specialist to formulate a rehabilitation plan.
17. **Rehabilitation Specialist Monitor Fees** - Fees paid to rehabilitation specialist to monitor employee throughout the plan.
18. **Rehabilitation Plan Costs** - Costs incurred for rehabilitation, excluding 041(k) wages and rehabilitation specialist fees. Includes tuition, books, tools, supplies, transportation, lodging, job modification devices, etc.
19. **.041(k) Wages** - Amount paid to employee who is receiving rehabilitation services, and whose PPI benefits are exhausted before the end of the plan.
20. **.041(g) Benefit** – Amount paid to employee who has waived rights to rehabilitation benefits, also referred to as the job dislocation benefit.
21. **Interest** - Amount of interest paid on a claim due to late payment of compensation or medical benefits, per AS 23.30.155(p). This is separate from 25% penalty noted above.
22. **Employee Attorney Fees** - Employee attorney fees paid by employer or insurer.
23. **Employer Attorney Fees** - Employer attorney fees paid by employer or insurer.
24. **Litigation Costs** - Fees paid for claim litigation, excluding attorney fees.
25. **Other** - Agent fees, adjuster fees, or other expenditures not covered in any of the other payment categories (excludes adjuster case management/ administration fees).