



Minnesota Workers' Compensation
Insurers Association, Inc.
7701 France Avenue South ▪ Suite 450
Minneapolis, MN 55435-3200

January 12, 2012

ALL ASSOCIATION MEMBERS

Circular Letter 12-1607

RE: Federal Coverage Compliance Electronic Reporting

In addition to submitting complete policy information to the Minnesota Workers' Compensation Insurers Association (MWCIA), insurers are required to report coverage issued under the Longshore and Harbor Workers' Compensation Act and its extensions, the Defense Base Act, Outer Continental Shelf Lands Act, and Non-Appropriated Fund Instrumentalities Act (USL&H) by mailing a hard copy of DOL standard form LS570 to the United States Department of Labor (US DOL). The US DOL intends to eventually phase out hard copy reporting of policy information and replace it with electronic filing to the national office of the Division of Longshore and Harbor Workers' Compensation.

The Minnesota Department of Commerce has approved an MWCIA filing effective January 1, 2011 or thereafter, allowing MWCIA to electronically submit US Longshore & Harbor Workers' Compensation (USL&H and Its Extensions) Coverage data to the United States Department of Labor, as collected by MWCIA from its member carriers.

The US DOL has authorized MWCIA to act on the industry's behalf to collect, translate, and electronically transmit reports of policy issuance, endorsement, and notices of cancellation in the approved format to the National Council on Compensation Insurance, Inc. (NCCI), which NCCI will use for the sole purpose of electronic retransmission to the US DOL. NCCI will retain the data submitted for a period of not more than two weeks from the date of receipt and will thereafter purge the data from its system.

Insurers that submit USL&H data to the US DOL through the MWCIA are no longer required to report policy issuance and endorsements to the US DOL using Form LS-570. It is important to note, however, that with respect to notices of cancellation, electronic submission does not eliminate the USL&H requirements and regulations that the policyholder and the US DOL receive 30 days advance written notice of an intended policy cancellation. Notice to the US DOL may be satisfied by electronic submission, and the date indicated in the electronic data field "Cancellation Mailed to Insured Date" will be considered the date of notice to the US DOL. However, notice to the policyholder of cancellation must be delivered or sent by mail.

Effective January 18, 2012, the US DOL Office of Workers' Compensation Programs will begin accepting USL&H coverage information from the MWCIA in the new electronic data interchange (EDI) US DOL approved format.

US DOL Federal Coverage Compliance Record Layouts

The US DOL Federal Coverage Compliance Record Layouts consists of four record types:

1. Policy (including New, Renewals, Replacements, Cancellations, and Reinstatements)
2. Name and Address
3. Endorsement
4. Control Record

The Name and Address Records will be created for all linked names and addresses. We will not send unlinked names and addresses. Similarly, we will not send “No Specific Location” address records. The Endorsement Record will identify the federal endorsements reported on the policy. Both Voluntary and Assigned Risk policy data will be reported.

Federal Coverage Reporting Requirements

Data providers must report all federal endorsement numbers on the WCPOLS Record Type 7 – List of Endorsements. One or more federal endorsements, **and** at least one federal coverage class code or the appropriate Exposure Act code of 2 (USL&H “F” or USL&H Coverage on Non-F Classes) on at least one exposure record must be present before we will provide the coverage information to the NCCI.

The federal endorsements are as follows:

- WC 00 01 01 A – Defense Base Act Coverage Endorsement
- WC 00 01 06 A – Longshore and Harbor Workers Compensation Act Coverage Endorsement
- WC 00 01 08 A – Nonappropriated Fund Instrumentalities Act Coverage Endorsement
- WC 00 01 09 B – Outer Continental Shelf Lands Act Coverage Endorsement

The following is the list of federal coverage class codes applicable in Minnesota:

Class	Description
6801	BOAT BUILDING-WOOD-NOC & D,INCL SHOP & YARD(US ACT
6824	BOAT BUILDING OR REPAIR & D (US ACT)
6826	MARINA & DRIVERS (US ACT)
6843	SHIP BUILDING - IRON OR STEEL - NOC & D (US ACT)
6845	SHIP BLDG - NAVAL & D
6872	SHIP REPAIR CONVERSION - ALL OPER & D (US ACT)
6874	SHIP SCALING OR PAINTING (US ACT)
7309	STEVEDORING NOC
7313	COAL DOCK OPERATION - BY MEANS OF MECH APPARATUS
7317	STEVEDORING - BY HAND OR HANDTRUCKS EXCLUSIVELY
7327	STEVEDORING - CONTAINERIZED FREIGHT & D
7350	FREIGHT HANDLING OR STEVEDORING NOC (US ACT)
8709	STEVEDORING - TALLIERS AND CHECKERS - U S ACT
8726	STEAMSHIP LINE OR AGENCY -PORT EMPL:SUPERS,CAPT,EN
9077	U.S. ARMED SERVICE RISKS - ALL EMPLOYEES & D

Implementation of US DOL Federal Coverage Compliance Record Layouts

On January 18, 2012, the US DOL will begin receiving NCCI Federal Coverage files which will include federally endorsed policy data transmitted by the MWCIA processed on or after January 3, 2012. Other rating or advisory organizations referenced in Attachment A will issue separate notices advising when they will commence transmitting data to the NCCI for submission to the US DOL and how frequently such transmissions will be made.

Attachment A

Please review the Attachment A for more information:

Attachment A – U.S. Department of Labor Notice 138 – Report of Issuance of Policies and Endorsements and Notice of Cancellations of Policies Providing Coverage Under Longshore and Harbor Workers' Compensation Act

Contact Information

Please direct any questions you may have concerning this item to MWCIA's Member & Customer Services staff at 952.897.1737 (Option 1) or email at underwriting@mwcia.org.



January 3, 2012

NOTICE No.138

TO: ALL AUTHORIZED CARRIERS REPORTING WORKERS' COMPENSATION POLICIES THROUGH THE WORKERS' COMPENSATION INSURANCE RATING BUREAU OF CALIFORNIA, DELAWARE COMPENSATION RATING BUREAU, INC., INDIANA COMPENSATION RATING BUREAU, WORKERS' COMPENSATION RATING AND INSPECTION BUREAU OF MASSACHUSETTS, COMPENSATION ADVISORY ORGANIZATION OF MICHIGAN, MINNESOTA WORKERS' COMPENSATION INSURERS ASSOCIATION, INC., NEW JERSEY COMPENSATION RATING AND INSPECTION BUREAU, NEW YORK COMPENSATION INSURANCE RATING BOARD, NORTH CAROLINA RATE BUREAU, PENNSYLVANIA COMPENSATION RATING BUREAU, OR WISCONSIN COMPENSATION RATING BUREAU, AND OTHER INTERESTED PERSONS

SUBJECT: ELECTRONIC REPORTING OF ISSUANCE OF POLICIES AND ENDORSEMENTS AND NOTICE OF CANCELLATIONS OF POLICIES PROVIDING COVERAGE UNDER THE LONGSHORE AND HARBOR WORKERS' COMPENSATION ACT

Authorized carriers are required to report the issuance of policies and endorsements under the Longshore and Harbor Workers' Compensation Act and its extensions, the Defense Base Act, Outer Continental Shelf Lands Act and Non-Appropriated Fund Instrumentalities Act, to the Department of Labor's Office of Workers' Compensation Programs (OWCP). 20 CFR § 703.116. The current manner of submission of these reports with respect to Longshore employers located in California, Delaware, Indiana, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Pennsylvania, and Wisconsin is by mailing a paper, signed original DOL Form LS-570 to the District Director, OWCP. Effective January 2010, the Form LS-570 (Carrier's Report of Insurance Issuance) replaced the 3 x 5 index card Form LS-570 (Card Report of Insurance). The Form LS-570 (January 2010) is accessible, fillable, and printable online at <http://www.dol.gov/owcp/dlhwc/ls-570.pdf>. It is not possible to submit the form electronically, however. The Card Report of Insurance (3 x 5 index card) is no longer accepted.

In addition, carriers are also prohibited from cancelling a policy of insurance under the Longshore and Harbor Workers' Compensation Act and its extensions prior to the expiration date specified in the policy unless the carrier satisfies the notice requirements under the Act and regulations. 33 U.S.C. § 936(b); 20 C.F.R. § 703.114. To cancel an insurance policy prior to its specified expiration date, the carrier must provide both the insured and the District Director with 30 days advance notice of the proposed cancellation.

It is our intention to eventually phase out hard-copy reporting to OWCP of policy issuance, endorsement, cancellation and renewal information and replace it with electronic data

interchange (EDI) to the national office of OWCP's Division of Longshore and Harbor Workers' Compensation (DLHWC).

We have authorized the Workers' Compensation Insurance Rating Bureau of California, Delaware Compensation Rating Bureau, Inc., Indiana Compensation Rating Bureau, Workers' Compensation Rating and Inspection Bureau of Massachusetts, Compensation Advisory Organization of Michigan, Minnesota Workers' Compensation Insurers Association, Inc., New Jersey Compensation Rating and Inspection Bureau, New York Compensation Insurance Rating Board, North Carolina Rate Bureau, Pennsylvania Compensation Rating Bureau and the Wisconsin Compensation Rating Bureau to act on the industry's behalf, as Data Collection Organizations (DCOs), to collect, translate and electronically transmit reports of policy issuance, endorsement, and notices of cancellation, in approved format to the National Council on Compensation Insurance, Inc. (NCCI), for EDI transmission to DLHWC. Carriers who submit Longshore insurance policy data to DLHWC through DCOs/NCCI are not required to report policy issuance and endorsements to the District Director using Form LS-570.

PLEASE NOTE that with respect to notice of cancellation, electronic submission through EDI transmission from NCCI to DLHWC does not eliminate the requirements under the Act and regulations for 30 days advance written notice to the insured of an intended policy cancellation. To cancel an insurance policy prior to its specified expiration date, the carrier must provide both the insured and the District Director with 30 days advance notice. Notice to the District Director of cancellation may be satisfied by EDI data transmittal from NCCI to DLHWC. The date indicated in the electronic data field "Cancellation Mailed to Insured Date" will be considered the date of notice to the District Director. However, notice to the *Insured* of cancellation must be delivered to the insured or be sent by mail.

We emphasize that each DCO acts on behalf of the reporting entities to submit this information by electronic means. The DCOs and the NCCI are not under contract with the US Department of Labor. Please direct any technical questions to the appropriate DCO.

If you have any questions relating to this notice, please contact Brandon Miller at 202-693-0925 or miller.brandon@dol.gov. Thank you for your cooperation.



MIRANDA CHIU

Director

Division of Longshore and Harbor Workers' Compensation