

State of Alaska Mike Dunleavy, Governor	Alaska Workers' Compensation Division PO Box 115512 Juneau, Alaska 99811-5512		
Department of Labor and Workforce Development	BULLETIN	Number 20-10	Date January 8, 2021
Dr. Tamika L. Ledbetter, Commissioner	SUBJECT	Filing Requirements for the 2020 Annual Report; Paying SIF Contributions; Paying Workers' Safety and Compensation Fees	
	REFERENCE	AS 23.30.155 & 8 AAC 45.136; AS 23.30.040; 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 contributions and WSCAA fee assessments.

These requirements are effective for the **calendar year 2020** annual report, which is due on or before March 1, 2021. Reporting starts January 1, 2021. Reports received after March 1, 2021 are late. The Department of Labor expects each insurer, self-insurer, and uninsured employer to submit an Annual report via Electronic Data Interchange (EDI) on all claims with any payments between January 1, 2020 and December 31, 2020. Annual reports are filed through our vendor Insurance Services Office, Inc. (ISO). The report must include all financial activity for the entire claim.

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

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Address any questions concerning the annual report filing or the SIF and WSCAA fees to the following Division of Workers' Compensation Department of Labor and Workforce Development point of Contact:

Contact	Phone/Email	Mailing Address
Ted Burkhart	(907) 465-6055 Ted.Burkhart@alaska.gov	PO Box 115512 Juneau, AK 99811-5512

Annual Reports of Insurance Distributions

Alaska Statute 23.30.155(m) requires that each insurer or adjuster file a report annually with the Alaska Workers' Compensation Board on claims with any compensation and expense payment activity for the previous year. All annual reports must submit through EDI by use of the "AN" report transaction. It is the insurer's responsibility to ensure reporting data to the agency and the correct payment of SIF contributions and WSCAA assessments. It is the insurer's responsibility to ensure accurate trading profiles for EDI sender and adjuster. It is the insurer's responsibility to ensure accurate payment information is provided to their adjusters. **The annual report is due starting January 1, 2021 and late after March 1, 2021. Each insurer or adjuster must also submit the following assessments and fees, at the same time of the annual report filing, no later than March 1, 2021.**

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.

Second Injury Fund Contribution

1. The Second Injury Fund (SIF) contribution is due at the time of the annual report filing, **starting January 1, 2021 and late after March 1, 2021** (AS 23.30.040).
2. SIF contributions assess against *each claim that results in temporary total disability, temporary partial disability, permanent partial disability, or permanent total disability. The contribution is based on the year of the injury and the SIF contribution rate in effect at that time* (see Table 1). The contribution rate is posted via bulletin to <http://www.labor.state.ak.us/wc/bulletins.htm>.
3. **SIF contributions are due and payable for the report year on ALL claims**, irrespective of whether SIF reimbursement is currently being received on the claim or an overpayment of benefits was made on the claim or benefits were paid by the employer. A SIF payment is not due and payable for a claim where the SIF assessed amount due is less than \$20.00.

Workers' Safety and Compensation Administration Account Fee (WSCAA)

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).

1. **Insurance companies.** Under AS 21.09.210, the service fee is included in the annual premium tax assessment. The Division of Workers' Compensation has no additional filing requirements for WSCAA. The Alaska Division of Insurance will process the fee transfer.
2. **Self-Insured Employers.** Under AS 23.05.067, a service fee payment is required with annual report due **starting January 1, 2021 and late after March 1, 2021**. 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 2020, due by March 1, 2021 is 2.90% (see Table 2).
3. **Uninsured Employers** must submit a service fee with their annual report due **starting January 1, 2021, late after March 1, 2021**. 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 2020, due by March 1, 2021 is 2.90% (see Table 2).

Annual Penalty Assessment Reports

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 the following:

- An assessment for unpaid SIF contributions, **payable to SIF.**
- An assessment for unpaid Workers’ Safety and Compensation fees, **payable to WSCAA.**
- SIF penalties for late compensation report filing, pursuant to AS 23.30.155(c), **payable to WSCAA.**
- Waiver of 155(c) penalties pursuant to AS 23.30.155(m). Waiver of penalties is 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 annual report filing pursuant to AS 23.30.155(m) **payable to WSCAA.**
- Error listing and civil penalty for incomplete and inaccurate report, pursuant to AS 23.30.155(m) and 8 AAC 45.136 **payable to WSCAA.**

ASSESSMENT RATES FOR COMPENSATION REPORTING

Year	Rate	Calculated On
1959-1966	2%	PPD
1966-1970	5%	PPD
1971-1981	8%	PPD
1982-1985	6%	TTD,TPD,PPI, & PTD
1986	5%	TTD,TPD,PPI, & PTD
1987-1989	0%	TTD,TPD,PPI, & PTD
1990	3%	TTD,TPD,PPI, & PTD
1991	5%	TTD,TPD,PPI, & PTD
1992-1994	6%	TTD,TPD,PPI, & PTD
1995	5%	TTD,TPD,PPI, & PTD
1996	6%	TTD,TPD,PPI, & PTD
1997-1998	5%	TTD,TPD,PPI, & PTD
1999	6%	TTD,TPD,PPI, & PTD
2000	5%	TTD,TPD,PPI, & PTD
2001-2008	6%	TTD,TPD,PPI, & PTD
2009	5%	TTD,TPD,PPI, & PTD
2010	4%	TTD,TPD,PPI, & PTD
2011	5%	TTD,TPD,PPI, & PTD
2012-2018	6%	TTD,TPD,PPI, & PTD
2019	5%	TTD,TPD,PPI, & PTD
2020	5%	TTD,TPD,PPI, & PTD

	2001	2002	2003	2004 – 2017	2018
Insurance Companies**	2.31%	2.17%	2.03%	1.82%	2.5%
Self Insurers	0.90%	1.70%	2.40%	2.90%	2.90%
Uninsured Employers	3.60%	3.40%	3.20%	2.90%	2.90%

** Insurance Companies: service fee is included in the annual premium tax assessment under AS 21.09.210

PAYMENTS

Second Injury Fund and Workers Safety and Compensation Administration Account assessments are due by March 1, 2021.

Send payments to:

Ted Burkhart
Labor and Workforce Development Workers' Compensation Division - Second Injury Fund
Mailing Address PO Box 115512 Juneau, AK 99811-5512
Street Address 1111 W 8 th St., Rm. 305, Juneau, AK 99801 <i>(The United States Postal Service no longer delivers to a street address)</i>
Contact Information Phone: (907) 465-6055 Email: Ted.Burkhart@Alaska.gov

Submit all checks payable to the Second Injury Fund and/or WSCAA between January 1, 2021 and March 1, 2021. Interest and penalties will be applied to filings and/or payments received after March 1, 2021. To ensure proper recording of SIF and WSCAA payment on a claim:

1. **Each unique insurer will submit a single aggregate check for SIF and/or WSCAA, rather than a separate check for each claim.** Please do not combine SIF and WSCAA payments into one check.
2. **Multiple Claim Payments:** A separate spreadsheet must accompany each payment submitted and due between January 1, 2021 and March 1, 2021. The spreadsheet format layout will be Jurisdiction Claim Number (JCN or AWCB#), SIF amount due, and/or WSCAA amount due (in this order, no dollar signs) with an excel extension of .xlsx. **The spreadsheet must be emailed separately to Ted Burkhart.**

JCN/AWCB Number	SIF	WSCAA
2020XXXXXXXX	30.00	400.00

3. **Single Claim Payments:** If there is only one claim to report, ensure the check documentation displays – SIF Contribution Year, JCN/AWCB#, SIF amount due, and/or WSCAA amount due.
4. **Civil Penalty Payments:** Please submit preliminary or final audit spreadsheet with civil penalty payment and make payable to the WSCAA.

Frequently Asked Questions (FAQ's)

Who is a trading partner?

Answer: A trading partner is an insurer, adjuster, employer, self-insured employer, or vendor that is approved and certified by the Alaska Department of Labor, Workers' Compensation Division (ADOL) and its EDI vendor, Insurance Services Office, Inc., (ISO) as data a sender.

Are benefit totals just for calendar year or are they cumulative?

Answer: To be compliant with IAIABC standards, "sweep" benefit segment rules apply. **Report all Indemnity benefit payments (cumulative values), all other benefit types (expenses) paid, and any currently active Adjustment, Credit or Redistributions on the claim from the Date of Injury through December 31, 2020.**

Who do I contact to confirm match data on reports of injuries with the Division?

Answer: If you need assistance with ensuring your files have the correct match data, an extract of current match data is available upon request. Please submit a Request for Release of Information Form 07-6121, supply a list of AWCB numbers required and email your request to Michael Christenson, michael.christenson@alaska.gov.

I am having trouble with rejected transmissions through EDI, whom do I contact for assistance?

Answer: We have contracted with Verisk Insurance Solutions (ISO) to provide technical assistance with claims reporting issues through EDI. Send all questions related to general EDI support issues to adoledi@iso.com.

I may have trouble submitting legacy AN through EDI prior to March 1st deadline?

Answer: Trading Partner must contact the agency as soon as possible. ADOL may direct you to submit a flat file using the Annual Report Record Layout (form 07-6115). ***This excel record layout is the only approved form that meets the minimum requirements outlined in the Jurisdictional Requirements Tables.***

Will ADOL accept a SROI AN and other SROI Reports on legacy claims (JCN<201320000)?

Answer: Annual Reports for all claims submit through EDI. ADOL expects the SROI AN report submitted through EDI by registered EDI filing Trading Partners. A legacy claim must be prepared to accept the annual report and other SROI reporting through EDI. ADOL is preparing to transition from Claims 3.0 to Claims 3.1 reporting standards adopted by the International Association of Industrial Accident Boards Commissions (IAIABC) on May 17, 2021. ADOL strongly encourages all trading partners to transition all active legacy claims to electronic reporting. If you need assistance with determining if a claim is ready for an EDI submission, please contact adoledi@iso.com or Michael Christenson, michael.christenson@alaska.gov.

How do I report lump sum payments?

Answer: All lump sum payments are initially reported with the PY report and additionally required on the AN and should match the values reported on the claim.

What is required by the Trading Partners concerning reporting of the SIF contribution or WSCAA assessment due?

Answer: Please reference the payments section on page 4. ADOL has a separate business process for reporting SIF and WSCAA payments. Until further notice, the SIF and WSCAA payment report is due to the Division starting January 1, 2021 through March 1, 2021. The payment report **must** be submitted along with payment via spreadsheet and include the JCN/AWCB number, SIF due, and WSCAA due.

How does the Division calculate the SIF contribution or WSCAA due?

Answer: ADOL projects SIF contribution and WSCAA fee due on all open/closed claims with reported or expected compensation payments for the reporting year. Reported compensation without a subsequent report to change or terminate benefits are subject to this estimated payment calculation.

ANNUAL REPORT FILING REQUIREMENTS

Each Insurer must submit the annual report on each claim that incurred workers' compensation claims expenses in the calendar year of 2020. The report may be submitted by either the insurer or the insurer's claims adjuster, **but not both.**

Electronic Data Interchange (EDI) Trading Partner

The SROI AN (Annual Report) is due annually beginning January 1, 2021 and late after March 1, 2021, for all claims having compensation or expense payments in the previous calendar year. The AN report must meet the minimum requirements as outlined in the Alaska Department of Labor Workers' Compensation Division Elements Requirements Tables found at www.adoledi.info.

ADOL expects that only one SROI AN for each JCN/AWCB number be reported starting January 1, 2021 and late after March 1, 2021. **To be considered a timely filed report, the SROI AN report (or latest submission) must be accepted (acceptance is defined as a TA or TE Acknowledgement returned to the trading partner from the jurisdiction) by the March 1, 2021. The AN report for each JCN/AWCB number is considered received only after its acceptance through EDI submission.** Rejected reports will require corrections and resubmissions from the trading partner. Any AN report that fails acceptance with a TA or TE and receives a return TR acknowledgement is considered unreported, including flat file submissions.

Once the AN report has been accepted, any required corrections can be submitted through a new SROI AN report until March 1, 2021. After March 1st, the trading partner must contact the Division, state issue, and send email to ted.burkhart@alaska.gov.

Trading partners may submit missing "AN" reports through EDI until December 31, 2021 if it is the first filed "AN" on the claim. If a trading partner needs to file a subsequent AN after March 1, 2021, the trading partner will need to contact the agency.

Please refer to ADOL's Element Requirement Table for data element requirements on the SROI AN. The MTC AN is expected for all claims where any compensation or expense payments occurred during the previous calendar year (January 1, 2020 through December 31, 2020), even if unreported by a SROI AP, IP, PY, RB . . . etc.. **The SROI FN or SX transactions are not accepted as substitute filings for the AN report.** Annual reports must reflect aggregate values. When reporting the AN report, report all benefits and claim expenses paid by the employer, insurer, or adjuster from the Date of Injury to December 31, 2020.

For more information, please visit www.adoledi.info or contact the ADOL EDI Support Team at dol.workerscomp.edi@alaska.gov.