## **U. S. Department of Labor**

Office of Workers' Compensation Programs Division of Longshore and Harbor Workers' Compensation 200 Constitution Avenue, Room C-4319 Washington, DC 20210



July 15, 2016

Notice No. 156

To: Insurance Carriers and Self-Insured Employers under the Longshore and Harbor Workers' Compensation Act, and its extensions, and the District Of Columbia Compensation Act

Subject: 2016 Final Assessment for the Special Fund

Notice: This notice transmits the 2016 Final Assessment bill and instructions for forwarding

payment. (PLEASE READ PAYMENT INSTRUCTIONS CAREFULLY)

On January 13, 2016, pursuant to Section 44 of the Longshore and Harbor Workers' Compensation Act, a Notice was sent to all insurance carriers and self-insured employers authorized under the Act and its extensions (including the District of Columbia Compensation Act), requesting a report of the amount of all compensation and medical payments made during calendar year 2015. Form LS-513, Report of Payments, was attached to the Notice.

All payments made during calendar year 2015 by insurance carriers and self-insured employers have now been reported. A total of \$951,583,132 in compensation payments has been reported under the Longshore Act and three extensions, the Defense Base Act, the Outer Continental Shelf Lands Act, and the Nonappropriated Fund Instrumentalities Act. A total of \$2,338,811 has been reported under the District of Columbia Compensation Act for compensation and medical payments in cases where the date of injury arose prior to July 26, 1982.

This Office has determined that for calendar year 2016, a total of \$110,000,000 is needed for the Special Fund under the Longshore Act and extensions (excluding the D.C. Act) and a total of \$8,000,000 is needed for the Special Fund under the District of Columbia Act. Proceeds from the Special Fund assessment are used for payments under Sections 8(f), 10(h), and 18(b) plus other payments provided for under Section 44 of the Act.

This notice accompanies the bill for final amounts owed on your CY 2016 assessment. The attached billing form shows the calculation on which your assessment is based. Under the Longshore Act and extensions (except the D.C. Act) the assessment is based on (1) the ratio of the amount each carrier or self-insurer paid during the prior calendar year for compensation benefits in relation to the amount all such carriers and self-insurers paid during that period, and (2), the ratio of the amount of payments made by the Special Fund attributable to each carrier or self-insurer for cases being paid under Section 8(f) of the Act during the preceding calendar year in relation to the total of such payments. The resulting sum is divided by two and multiplied by the estimated expenses of the Fund. The amount paid for the advance assessment is credited against the total assessment and the amount now due is shown as the last figure.

Under the District of Columbia Compensation Act the ratio of the amount each carrier or self-insurer paid during the prior calendar year for compensation and medical benefits in relation to the amount all such carriers and self-insurers paid during that period is multiplied by the estimated expenses of the Fund.

#### INSTRUCTIONS FOR PAYING YOUR FINAL ASSESSMENT(S)

**Options for forwarding payment:** The U.S. Treasury has mandated that payments to the Federal government be conducted by FedWire/ACH credit to the greatest extent possible.

Payment Option 1 – To process a Fed Wire with Treasury New York, you <u>MUST</u> email your wire instructions to the Longshore Assessment Questions email box: Longshore\_Assessment\_Questions@dol.gov with the subject line "WIRE INSTRUCTIONS" prior to the transaction. When emailing the wire instructions, you must include your company's name, the bill and sequence numbers (SEQ) as shown on the bill; the bill and SEQ number can be found on the top left hand corner of your bill.

Bank: Federal Reserve Bank of New York

Routing number: 021030004 Account number: 16150003

**Payment Option 2 –** You may also submit a check made payable to U.S. Department of Labor, with a copy of the bill, to the address below. Please note that your check will be converted to an electronic fund transfer and electronically debited to your account. The original check will be destroyed but a copy will be retained.

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# Payments should not be combined regardless of whether payment is made via wire or check:

- Do not combine payments for subsidiary companies that fall under your control. If paying by check, you should submit a separate check for each subsidiary with a corresponding bill attached. If paying by wire, your wire instructions should clearly reflect the subsidiaries for which you are forwarding payment and the individual amounts remitted.
- Do not combine payments for the LHWCA assessment and the DCCA assessment.

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#### YOUR DEADLINES

#### **Due Dates:**

Payment of the Final Assessment bill is due by August 17, 2016.

**Questions**: For questions pertaining to this year's final assessment, please submit your inquiry to the Longshore Assessment Questions email box at the following address:

### Longshore\_Assessment\_Questions@dol.gov

You may also call the OWCP/DLHWC Branch of Financial Management Insurance and Assessments at (202) 693-0038.

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Director, Division of Longshore and Harbor Workers' Compensation