



# COMPENSATION RATING AND INSPECTION BUREAU

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## ADVISORY BULLETIN #34

### ELECTRONIC REPORTING OF USL&H POLICY DATA

Insurers are currently 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) (collectively "USL&H") by mailing a hard copy of DOL standard form LS-570 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 US DOL has authorized the Compensation Rating and Inspection Bureau ("Rating Bureau") to act on the industry's behalf in New Jersey to collect, translate and electronically transmit reports of policy issuance, endorsements 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 an electronic retransmission to the US DOL. NCCI will retain the data submitted by the Rating Bureau for a period of not more than two weeks from its receipt of the data, and will thereafter purge the data from its system.

Insurers that submit USL&H data to the US DOL through the Rating Bureau 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, an 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.

The US DOL Office of Workers' Compensation Programs has begun accepting USL&H coverage information from the Rating Bureau in a new US DOL-approved format. This information includes policy data processed by the Rating Bureau on or after January 3, 2012.

### US DOL Federal Coverage Compliance Record Layouts

The US DOL Federal Coverage Compliance Record Layouts consist of four record types – Policy Record (including New, Renewals, Replacements, Cancellations and Reinstatements), Name and Address Record, Endorsement Record and a Control Record. The Name and Address Record will be created for all linked names and addresses. The Rating Bureau will not send unlinked names and addresses. Similarly, the Rating Bureau will not send "No Specific Location" address records. The Endorsement Record will identify the federal endorsements reported on the policy. 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, or in Item 3D of the paper policy. One or more federal endorsements and at least one federal coverage class code or the appropriate exposure code of 2 (USL&H “F” or USL&H Coverage on Non-F Classes) on at least one exposure record on the policy must be present before the Rating Bureau will provide the coverage information to the NCCI.

The federal endorsements currently applicable in New Jersey 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 09 B – Outer Continental Shelf Lands Act Coverage Endorsement

The following is the list of federal coverage class codes presently applicable in New Jersey:

<b><u>Class Code</u></b>	<b><u>Description</u></b>
1320	OIL OR GAS LEASE OPERATORS & DRIVERS
6235	OIL OR GAS WELL: DRILLING OR REDRILLING & DRIVERS
6801	BOAT BUILDING – WOOD – NOC & DRIVERS
6872	SHIPWRIGHT WORK & DRIVERS
6874	PAINTING: SHIP HULLS
7309	STEVEDORING: NOC
7327	STEVEDORING: CONTAINERIZED FREIGHT & DRIVERS
7360	FREIGHT HANDLER NOC
8709	CHECKERS, INSPECTORS, SAMPLERS OR WEIGHERS OF MERCHANDISE – NPD
8711	STEAMSHIP LINE OR AGENCY – PORT EMPLOYEES: TALLEYMEN, CHECKING CLERKS OR EMPLOYEES ENGAGED IN MENDING OR REPACKING OF DAMAGED CONTAINERS
8726	STEAMSHIP LINE OR AGENCY – PORT EMPLOYEES: SUPERINTENDENTS, CAPTAINS, ENGINEERS, STEWARDS OR THEIR ASSISTANTS, PAY CLERKS

### **Implementation of US DOL Federal Coverage Compliance Record Layouts**

The US DOL has begun receiving daily NCCI Federal Coverage files, which will include federally endorsed policy data transmitted by the Rating Bureau that was processed on or after January 3, 2012. Rating or advisory organizations in other jurisdictions 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.

**Historical Data File**

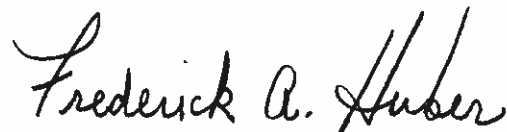
The US DOL has advised that it will request the voluntary submission of three years of historical USL&H policy data from the Rating Bureau at some point in the future. Upon receipt of that request, the Rating Bureau intends to provide historical USL&H policy data effective January 1, 2009 through January 2, 2012.

**Authorization**

Consistent with the US DOL's directive, the Rating Bureau is authorized to release federal coverage information on New Jersey policies to the NCCI for the sole purpose of retransmission to the US DOL. An insurer will be deemed to have authorized the Rating Bureau to release federal coverage information as outlined above unless the insurer notifies the Rating Bureau in writing that it wishes to opt out, in which case, the Rating Bureau will discontinue the submission of federal coverage information to the NCCI for retransmission to the US DOL for the insurer. However, should an insurer decide to opt out, that insurer must still comply with the US DOL's directive that USL&H coverage information be submitted electronically and, at this time, the only means for electronically submitting USL&H coverage information to the US DOL is via the NCCI.

If you have any questions, please contact Madeline Montalvo at (973) 622-6014 x268.

Please refer to the attached US DOL Notice No. 138 ("Electronic Reporting of Issuance of Policies and Endorsements and Notice of Cancellations of Policies Providing Coverage under the Longshore and Harbor Workers' Compensation Act") for further information.



Frederick A. Huber  
Executive Director

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Att.

**U.S. Department of Labor**

Office of Workers' Compensation Programs  
Division of Longshore and  
Harbor Workers' Compensation  
Washington, D.C. 20210



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/lis-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](mailto:miller.brandon@dol.gov). Thank you for your cooperation.



MIRANDA CHIU

Director

Division of Longshore and Harbor Workers' Compensation