

In Alaska, together with the annual report, each insurer, self-insured employer and uninsured employer must submit payment of their Second Injury Fund (SIF) contribution and their Workers' Safety and Compensation Administration Account (WSCAA) fees. Both assessments are due along with annual reports starting January 1 to March 1 every year.

The SIF contribution is assessed 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.

Self-insured employers and uninsured employers are required to also pay the WSCAA fee. The WSCAA fee rate is set by statute. The assessed fee is the fee rate times total payments reported on the annual report, excluding the amount of the SIF contribution.

Trading Partner issues:

Prior to moving to EDI 3.0, our trading partners submitted annual reports via html or by excel spreadsheet. Along with the compensation payment information, they also included SIF and WSCAA payment per claim.

EDI does not provide a data field/data element to collect this information and Alaska created a cumbersome work-around to align claim data received through EDI with payments received by our trading partners via mail. Currently, we request the TP's to send a separate spreadsheet with the Jurisdiction claim number along with assessment type and payment amount (ex. JCN, SIF Payment, WSCAA Payment). When we receive the spreadsheet it is uploaded into our claim data base. This extra step was costly in programming resources, testing and implementation time. It also requires additional steps to prepare, receive and upload the data.

I have discussed our process with a few jurisdictions and our work around processes are similar. I propose the committee consider adding a data element/field for jurisdictions to collect agency assessed payments through EDI. By doing this, it will eliminate several cumbersome steps in matching payments to agency claim data. This would also allow paperless reporting of agency paid fees which could be effortlessly reconciled with actual payments electronically. This also enhances claim level data that we are capturing.

Request IAIABC to:

- Create an Assessment 1.0 Standard and/or an SIB 1.0 Standard or an Assessment Code (DNXXX) like Recovery Code (DN0226)
- Use MTC Jx for payments to agency fees (both general (J1) and SIB (J2))
- Use an AN report to collect assessment fees.

- Pros
 - Collects annual assessable data along with annual report.

- Trading Partners, Legislators and research agencies often request this data, so it will easily be available in a standard format, instead of in proprietary state formats, especially when agencies come under review by legislatures.
 - Eliminates extra paper document Trading Partners must send to jurisdiction and at least two to three extra steps in matching paid assessments on a claim level.
 - Jurisdictions can better align and verify compensation payments linked to agency fees.
- Cons
 - Agencies will need to offer low cost web entry for small insurer with low volume claims.

Thank you for your consideration.

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