

Tommy G. Thompson
Governor

Linda Stewart
Secretary

Gregory Krohm
Division Administrator



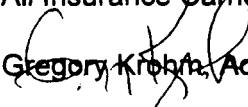
State of Wisconsin

Department of Workforce Development

WORKER'S COMPENSATION
201 East Washington Avenue
P.O. Box 7901
Madison, WI 53707-7901
Telephone: (608) 266-1340
Fax: (608) 267-0394
<http://www.dwd.state.wi.us/wc/>

February 6, 1998

INS 386

To: All Insurance Carriers and Self-Insured Employers
From:  Administrator
Re: Department Correspondence Relating to
Required Reports and Requests for Claims Information

The Worker's Compensation Division is undertaking a project to improve its written communications with insurance carriers and self-insured employers. It is intended to respond to recommendations from senior claims managers, members of the Council on Worker's Compensation and other representatives of insurance carriers and self-insured employers about reporting requirements and our requests for claims information.

The scope of the project ranges from revising routine form-letters to devising more creative uses of the Internet. Our goal is to exchange information in a way that improves your ability to pay timely and accurate benefits to employees while meeting the legal requirements and deadlines for reporting a variety of claims-related information to us.

The Internet, new forms, new rules. We have already implemented some changes. In early 1997, we began using the Internet to provide individual carriers with claim-specific details on the promptness of their first payments. In late 1997, we started revising the most commonly used reporting forms: the WKC 12, WKC-13 and WKC-13A. Finally, effective January 1, 1998, we significantly revised the reporting requirements in Section DWD 80.02, Wis. Admin. Code to clarify reporting requirements and to relax unnecessarily strict reporting deadlines.

New form letters. The next step is to revise the basic format for most of our automated form letters. I have enclosed a sample of the three basic types of automated letters which the Division will begin using this month:

- (1) Requests for overdue reports required by statute or administrative rule.
- (2) Requests for claims information that is essential for claims management.
- (3) Advisory letters to which no response is necessary.

Sanctions. Unless insurers and employers file required reports on time and respond timely to the Division's correspondence, we cannot meet our responsibility to monitor the timely and accurate payment of benefits legally due to injured employees. Now that the reporting rules in DWD 80.02 have been clarified and the reporting deadlines have been relaxed, the Division intends to vigorously exercise its statutory authority to penalize those who fail to comply with reporting requirements and requests for information.



After a warning notice, the Division will assess the maximum \$100 forfeiture against insurance carriers and self-insured employers that fail to file any required report. In addition, the Division will refer insurance carriers to the Office of the Commissioner of Insurance for further penalties if they systematically fail to answer correspondence from the Division. Similarly, the Division will review the privilege to self-insure for employers that systematically fail to answer correspondence from the Division.

Annual invoicing of \$100 forfeitures. An important change in the enforcement process is the elimination of immediate payment of the \$100 forfeitures for failure to file required reports. The Division will invoice insurers annually along with their regular annual assessment.

Confidential detailed information on the Department's Web site. Although we will only invoice forfeitures once a year, each quarter we will publish confidential detailed information about the \$100 forfeitures for each insurer on the Department's Web site (similar to the promptness of first payments). This detailed information will be accessible only through use of your security identification and passwords currently used for promptness details.

The Web-site component will also include performance reports and detail on pending requests for claims information that remain unanswered. These steps should give all insurers a clear understanding of what information the Division has requested before the requests become overdue. The following table summarizes the timetable for implementing major project elements

Component	Completion Date
Publish detail on promptness of first payment on the Department's Internet Web site	1997
Revise administrative rule DWD 80.02 relating to reporting requirements	January 1, 1998
Revise standard report forms WKC-12, WKC-13, WKC-13A	January 1, 1998
Revise automated form letters	April 1, 1998
Publish detail on pending and late reports on the Department's Internet Web site	July 1, 1998
Publish quarterly performance reports on the Department's Internet Web site	July 1, 1998
Replace "MonIns" follow-up system	July 1, 1998
Revise the enforcement policy for failure to comply with reporting requirements	Ongoing

As we implement the project we will be guided by the following principles. The Worker's Compensation Division should:

- Educate insurers and employers about their new reporting responsibilities.
- Be clear and specific when requesting additional information or clarification.
- Promptly and accurately process all information submitted by insurers and employers.
- Ensure that outgoing communications accurately reflect all information previously submitted by insurers and employers.
- Publish as much claim-specific information as possible on the Department's web site.
- Impose fair and effective sanctions against insurers and employers that do not meet the deadlines for submitting reports required by law or information requested by the Division.

We will continue to update you as we implement additional phases of the project. We request your collaboration and evaluation for system improvements. Please contact Lee Shorey, Director of the Bureau of Claims Management at (608) 267-9407 with your suggestions or comments about any of our claims-handling procedures.

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State of Wisconsin
Department of Workforce Development

February 5, 1998

INSURANCE CO

WC CLAIM NO:
INJURY DATE:
EMPLOYEE:
EMPLOYER:
INSURER NO:

IF YOU CALL OR WRITE US
PLEASE USE WC CLAIM NO.

The purpose of this letter is to request the final medical report from the treating practitioner.

The Supplementary Report, WKC-13, you submitted for this claim indicates that you made the final compensation payment for an injury which caused permanent disability or more than three weeks of temporary disability. However, you did not submit the treating practitioner's final medical report with the WKC-13 or explain why it was not submitted.

Please send us the treating practitioner's final medical report. If it is not available at this time please do all of the following:

- (1) Send us the most recent medical report;
- (2) Explain why you cannot submit the final treating practitioner's report; and
- (3) Estimate when you will submit the final report.

If you fail within 30 days to either submit this required report or to explain why it is not being submitted the Department may assess a forfeiture of \$100 under sec. 102.35(1), Wis. Stats.

WC86D
(R. 2/2/98)



File Ref:

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State of Wisconsin
Department of Workforce Development

February 5, 1998

INSURANCE CO

WC CLAIM NO:
INJURY DATE:
EMPLOYEE:
EMPLOYER:
INSURER NO:

IF YOU CALL OR WRITE US
PLEASE USE WC CLAIM NO.

This is our second request for the treating practitioner's final medical report for this claim.

For failing to either file this required report or to explain why it was not submitted, the Department is assessing you a \$100 forfeiture, payable to the State of Wisconsin pursuant to s.102.35(1), Wis. Stats. **Please do not pay now.** The Department will record each forfeiture you incur and invoice you annually for the total amount due.

The Supplementary Report, WKC-13, you submitted for this claim indicates that you made the final compensation payment on an injury which caused permanent disability or more than three weeks of temporary disability. However, the WKC-13 did not include the required final medical report from the treating practitioner.

Please send us the treating practitioner's final medical report. If it is not available at this time please do all of the following:

- (1) Send us the most recent medical report;
- (2) Explain why you cannot submit the final treating practitioner's report; and
- (3) Estimate when you will submit the final report.

Failure to respond to this request within 30 days may result in further sanctions by the Worker's Compensation Division under ss. 102.28(2)(c) or 102.31(3), Wis. Stats., or by the Office of the Commissioner of Insurance, under s. 601.64 Wis. Stats., or both.

FWC86D
(N. 2/2/98)



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Department of Workforce Development

February 5, 1998

Insurance Carrier

WC CLAIM NO:
INJURY DATE:
EMPLOYEE:
EMPLOYER:
INSURER NO:

IF YOU CALL OR WRITE US
PLEASE USE WC CLAIM NO.

Our calculations of the disability amounts due and paid to date for this claim are shown below. Please pay the balance due promptly and confirm that your payment has been made by sending us an amended Supplementary Report, WKC-13, within 30 days of the date of this letter. If you disagree with our calculation of the amount due and have paid a different amount, please explain the basis for your payment on the amended WKC-13.

Failure to respond to this request within 30 days may result in sanctions by the Worker's Compensation Division under ss. 102.28(2)(c) or 102.31(3), Wis. Stats., or by the Office of the Commissioner of Insurance, under s. 601.64 Wis. Stats., or both.

WC77
1/26/98



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State of Wisconsin
Department of Workforce Development

February 5, 1998

CLAIMANT

WC CLAIM NO:
INJURY DATE:
EMPLOYEE:
EMPLOYER:
INSURER NO:

IF YOU CALL OR WRITE US
PLEASE USE WC CLAIM NO.

Reports on file indicate that you may have some disfigurement as a result of a work-related injury. Additional worker's compensation benefits may be payable for a disfigurement which can be shown to potentially cause a wage loss.

If you believe that you qualify for disfigurement benefits, please write to our department at the above address to request a meeting with one of our Administrative Law Judges for an evaluation of your claim. If you live near one of our local offices, you may stop in during our regular business hours to meet with an Administrative Law Judge. We recommend you call to set up an appointment.

Worker's Compensation Division
Room 161
201 E. Washington Ave.
P.O. Box 7901
Madison, Wisconsin 53707
(608) 266-1340

Worker's Compensation Division
3rd Floor
State Office Building
819 N. Sixth Street
Milwaukee, Wisconsin 53203
(414) 224-4382

Worker's Compensation Division
1500 N. Casaloma Drive
Suite 310
Appleton, Wisconsin 54915
(920) 832-5450

GL07

Carbon sent to:
Insurance Carrier



File Ref: