

Worker's Compensation
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State of Wisconsin
Department of Workforce Development

Worker's Compensation Insurance Letter

INS #	483
Date	April 26, 2010
Program	Hearings Scheduling
Type	Procedure
Replaces	None

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CITY STATE ZIP

To: Attorneys Representing Parties in Barred Claims Against the Work Injury Supplemental Benefit Fund, Claims Handling Offices for Insurance Carriers and Self Insured Employers
From: Frances Huntley-Cooper, Division Administrator
Subject: New Requirements for Barred Claims Made Against the Work Injury Supplemental Benefit Fund

Purpose: To inform attorneys representing claimants in barred claims against the Work Injury Supplemental Benefit Fund that starting on May 10, 2010 the Division will require a revised WKC-7 Hearing Application and a WKC-16804 Work Injury Supplemental Benefit Fund Barred Claim Form for all barred claims made against the Fund. In addition the Division will require that the aforementioned forms be submitted solely to the Division's office in Madison. Barred claims may no longer be filed directly with the Department of Justice.

Background: Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 adds new mandatory reporting requirements for group health plan arrangements as well as Liability Insurance (including Self-Insurance), No-Fault Insurance, and Workers' Compensation. Due to the Fund's liability for certain benefit payments, the Department of Workforce Development, Division of Worker's Compensation is considered to be a Responsible Reporting Entity (RRE) and is required to report certain claim data to the Centers for Medicare and Medicaid Services (CMS) on a quarterly basis.

CMS has implemented a very aggressive penalty schedule against RREs, imposing fines of \$1000 per day for each reportable claim that is not reported. In addition, claims can only be reported quarterly. In order to avoid penalties and be in compliance with the specifics of this federal mandate, the Division needs to centralize the process of barred claims being made against the Fund and collect information that was not previously required. Centralizing the submission process and requiring the updated WKC-7 Hearing Application will ensure that the Division timely and accurately records necessary claim data in its database, allowing for ready extraction and submission to CMS by the mandated quarterly deadline. Requiring the WKC-16804 Work Injury Supplemental Benefit Fund Barred Claim Form will allow the Division to gather data not previously collected that is now mandatory for fulfilling its reporting requirements to CMS.

Action Requested: Effective on or before May 10, 2010 use the revised WKC-7 Hearing Application--which adds a question about Social Security benefits and a question about Medicare coverage--and the WKC-16804 Work Injury Supplemental Benefit Fund Barred Claim Form for all barred claims against the Fund, and ensure that these forms are submitted only to the Division's office in Madison, WI. The WKC-16804 can be found on the Division's web site form list at <http://dwd.wisconsin.gov/wc/about-us/formsorder.htm>. This form can be completed online, printed and mailed to the Division. The revised WKC-7 Hearing Application can be obtained by calling 608-266-1340.

Inquiries: For questions, contact Janell Knutson at (608) 266-6718 or Tracy Aiello at (608) 267-9407.