

How to complete the Workers' Compensation Report of Benefits Paid form and information about possible penalties

A Workers' Compensation Report of Benefits Paid form must be submitted even if no benefits were paid during the reporting period. In this situation, report zero liability. Insurers no longer licensed to provide or no longer providing workers' compensation insurance in Minnesota, as well as employers no longer self-insured to provide workers' compensation benefits, must continue to file the assessment form until five years have elapsed since a policy of workers' compensation insurance or self-insurance was provided, or three years after the last indemnity payment was made, whichever is later. Corrections of prior period reports must be made by submitting an amended Workers' Compensation Report of Benefits Paid form. Send an email message to dli.assessment@state.mn.us for further instructions.

Include all of the following benefits	
Temporary total disability (TTD)	Economic recovery compensation (ERC)
Temporary partial disability (TPD)	Retraining
Permanent total disability (PTD)	Dependency
Permanent partial disability (PPD)	Monitoring period
Impairment compensation (IC)	Attorney fees deducted from employees' benefits
Portion of wage continuation benefits equal to workers' compensation benefits	Indemnity benefits reimbursable as second-injury benefits
Benefits reimbursable by the Workers' Compensation Reinsurance Association (WCRA) or other reinsurer	All indemnity benefits paid under a deductible policy, including those paid by the employer under the deductible limit
Lump-sum settlement amount representing any of the benefits above	Contribution claims for any of the benefits above paid to another Minnesota workers' compensation insurer by your company

Include all of the following benefits	
Any of the benefits above paid directly by the employer	Death, dependency and burial benefits payable under Minnesota Statutes 176.111
Do not include the following benefits	
Supplementary benefits (SB) paid to employees or recovered from the Special Compensation Fund (SCF)	Interest paid to employees
Attorney fees paid under Minnesota Statutes § 176.081, subdivision 7	Rehabilitation expenses
Attorney taxable costs	Payments to an out-of-state carrier where jurisdiction rests in another state
Amounts recovered from another Minnesota workers' compensation carrier in a contribution claim	

Replacement policy -- insurer question only

A replacement policy is purchased by a self-insured who ceases to be self-insured. The insurer who owns the replacement policy must separately report indemnity benefits paid under the replacement policy.

Penalty notice, contestation

Minnesota Statutes § 176.129 requires self-insured and insurers to annually report paid indemnity losses for the preceding calendar-year. The Workers' Compensation Report of Benefits Paid form must be submitted online to the commissioner no later than April 1 each year. If April 1 is on a weekend or government holiday, the report and payment are due the next working day.

Minnesota Statutes § 176.129, subd. 10, allows the Department of Labor and Industry (DLI) to assess a penalty of up to 15% of the amount of the assessment due, but not less than \$1,000, if payment of the assessment or submission of the report are not made in the manner prescribed by the commissioner.

Each year on June 1, the commissioner must determine the total amount needed to pay all estimated liabilities, including administrative expenses, of the Special Compensation Fund (SCF) for the following fiscal-year, which begins July 1. On or before June 30 of each year, the commissioner must provide notification to each self-insured employer and insurer of amounts due. At least one-half of the payment must be made to the commissioner for deposit into the SCF on or before Aug. 1 of the same calendar-year. The remaining balance is due Feb. 1 of the following calendar-year. Late payments are subject to penalties as outlined above.

To contest a penalty, file the Objection to Penalty Assessment form, found online at www.dli.mn.gov/business/workers-compensation/work-comp-forms, within 30 days of the date of a Notice of Penalty Assessment. Unresolved objections will be referred to the state of Minnesota's Office of Administrative Hearings

for a hearing before an administrative law judge. If an Objection to Penalty Assessment form is not submitted within 30 days of the date of a Notice of Penalty Assessment, the penalty is final and not subject to additional review.