

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

Special Compensation Fund assessments: Report indemnity amounts paid during the 12-month reporting period

Include these benefits	Do not include
Temporary total disability (TTD)	Supplementary benefits (SB) paid to employees or recovered from the SCF
Temporary partial disability (TPD)	Interest paid to employees
Permanent total disability (PTD)	Attorney fees paid under M.S. § 176.081, subd. 7
Permanent partial disability (PPD)	Rehabilitation expenses
Impairment compensation (IC)	Attorney taxable costs
Economic recovery compensation (ERC)	Payments to an out-of-state carrier where jurisdiction rests in another state
Retraining	Amounts recovered from another MN WC carrier in a contribution claim
Dependency	
Monitoring period	
Attorney fees deducted from employees' benefits	
Portion of wage continuation benefits equal to WC benefits	
Indemnity benefits reimbursable as second injury benefits	

Include these benefits	Do not include
Benefits reimbursable by the 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 above benefits	
Contribution claims for any of the above benefits paid to another MN WC insurer by your company	
Any of the above benefits paid directly by the employer	
Amounts recoverable as second injury benefits from the SCF; amounts recoverable from the WCRA or other reinsurer; amounts <u>paid</u> by your company to another WC insurer for any reportable indemnity benefits subject to assessments.	

1. Corrections of prior period reports must be made by submitting an amended Report of Benefits Paid. Call Financial Services at (651) 284-5311 for further instructions.
2. The report must be submitted even if no benefits were paid during the reporting period. Minnesota Rules, part 5220.2840 provides a \$200 penalty for failure to timely report that no assessment is due.
3. The assessment report is submitted online at www.dli.mn.gov/WC/ScfAssessment.asp.

Penalty notice

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

Minnesota Statutes, section 176.129 also provides a penalty of up to 15 percent 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 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.

Note: Penalties will be assessed for all payments and reports that are not postmarked or submitted by the due date unless, prior to that date, a written request for extension is received by the department stating the assessment report or payment will not be made by the due date because of reasons beyond the control of the employer/insurer. The request must specify those reasons.

The amount of penalty that may be assessed is based upon the number of days the report and payment (whichever is later) is late, as set forth under Minnesota Rules, part 5220.2840.