

B U L L E T I N # 11-01-00

TO: WORKERS' COMPENSATION CARRIERS

**FROM: JOYCE A. SEWELL
DIRECTOR, INDUSTRIAL ACCIDENTS**

DATE: NOVEMBER 1, 2000

RE: PENALTIES

After further consideration and carrier input The Labor Commission, Industrial Accidents Division, has decided to postpone the penalty implementation until April 1, 2001.

Several carriers indicated that they would have new electronic reporting systems up and running if we would delay until then. As you can see on the new penalty reports that the fines are greatly reduced. However, we would like the carriers to continue to make corrections to policies submitted incorrectly and to correct or implement reporting systems. In that light we will use the present system for computing penalties until April 1, 2002, at which we will turn on additional flags that will increase the penalties unless corrections continue to be made. October 1, 2002, additional flags will be turned on and on April 1, 2003, all the flags will be turned on so the penalties will be computed as had been done on the original proposed penalties. This will give carriers 12 to 24 months to get systems up and operating properly in order to report policies correctly.

Also as a note, Carriers who are switching from NCCI to Workers Comp-Link or Claimport **MUST** send written notification to the State of Utah, Industrial Accidents Division, as to which reporter other than NCCI will be reporting to the State. This may be done by E-Mail to lwilliam@utah.gov or Fax 801-530-6804 or by US Mail. This does **NOT** preclude carriers from reporting to NCCI for rating purposes.