



Data Now Program (DNP) Federal Coverage Act Reporting

Key Takeaways

- Identify proper Exposure Act and Loss Condition Act codes to report USL&HW Coverage
- Differentiate Programs 1 and 2 Coverage Options for FELA and Admiralty Law Coverage
- Report Black Lung Disease, exposure, and losses separately for coverage under the Federal Mine Safety and Health Act

Chapter 1: United States Longshore and Harbor Workers' Compensation Act and Extensions (USL&HW)

USL&HW covers employees in traditional maritime occupations such as those engaged in loading, unloading, repairing, or building a vessel. It does not apply to masters or members of a crew of any vessel.

Extension types of USL&HW include:

1. Defense Base Act
2. Outer Continental Shelf Lands Act
3. Non-Appropriated Funds Instrumentalities Act

F-Classifications

F-Classification Codes have the additional charge for USL&HW coverage built into their loss costs or rates. Most F-classifications have a corresponding state act class code. For example, state act class code 6882 corresponds with F-classification 6872F.

USL&HW Act—F-Classifications														
ALABAMA					WORKERS COMPENSATION AND EMPLOYERS LIABILITY									
Page S2					Effective March 1, 2020									
Original Printing					APPLICABLE TO ASSIGNED RISK POLICIES ONLY									
CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
4558D	2.42	680	5473	13.95	1500	6872F	17.56	1500	7538	10.41	1500	8291	6.43	1500
4568	7.67	1500	5474	8.56	1500	6874F	28.61	1500	7539	2.70	741	8292	5.66	1377
4581	1.48	478	5478	9.52	1500	6882	5.27	1293	7540	3.91	1001	8293	14.42	1500
4583	6.75	1500	5479	10.68	1500	6884	5.98	1446	7570	-	-	8295	-	-
4611	1.63	510	5480	9.20	1500	7016M	3.51	915	7580	4.60	1149	8304	7.69	1500

Refer to the **Basic Manual** for a list of F-Classifications and their corresponding state classifications.

Notice in the example below the rate for Code 6872F is much higher than for Code 6882 because it includes the additional charge for the federal coverage:

ALABAMA														
Page S2					WORKERS COMPENSATION AND EMPLOYERS LIABILITY									
Original Printing					Effective March 1, 2020									
APPLICABLE TO ASSIGNED RISK POLICIES ONLY														
CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM	CLASS CODE	RATE	MIN PREM
4558D	2.42	680	5473	13.95	1500	6872F	17.56	1500	7538	10.41	1500	8291	6.43	1500
4568	7.67	1500	5474	8.56	1500	6874F	28.61	1500	7539	2.70	741	8292	5.66	1377
4581	1.48	478	5478	9.52	1500	6882	5.27	1293	7540	3.91	1001	8293	14.42	1500
4583	6.75	1500	5479	10.68	1500	6884	5.98	1446	7570	-	-	8295	-	-
4611	1.63	510	5480	9.20	1500	7016M	3.51	915	7580	4.60	1149	8304	7.69	1500



Data Now Program (DNP) Federal Coverage Act Reporting

Non-F-Classifications

The loss cost or rate for non-F-classifications does not include the additional load for USL&HW coverage. Non-F-classifications can cover this coverage by increasing the loss cost or rate by the USL&HW factor. The factor is found in the Miscellaneous Values pages.

Here are the Miscellaneous Values from the Alabama rate pages. The USL&HW factor is 1.32:

WORKERS COMPENSATION AND EMPLOYERS LIABILITY	ALABAMA
	Page S5 Original Printing
<i>Effective March 1, 2020</i>	
APPLICABLE TO ASSIGNED RISK POLICIES ONLY	
MISCELLANEOUS VALUES	
United States Longshore and Harbor Workers' Compensation Coverage Percentage applicable only in connection with <i>Basic Manual</i> Rule 3-A-4.....	32%
<small>(Multiply a Non-F classification rate by a factor of 1.32 to adjust for differences in benefits and loss-based expenses. This factor is the product of the adjustment for differences in benefits (1.25) and the adjustment for differences in loss-based expenses (1.053).)</small>	

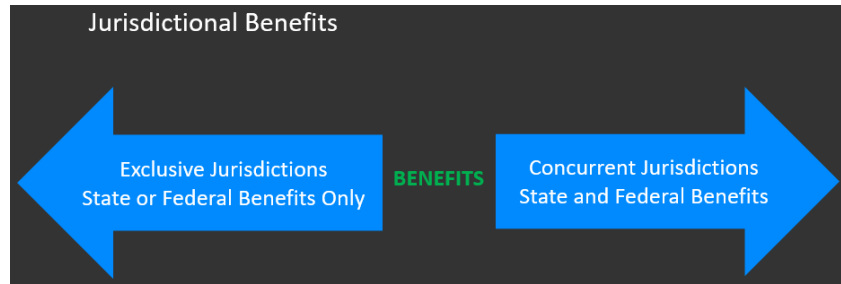
For classification codes associated with USL&HW coverage, following are the reporting requirements for the Exposure Act Code:

Exposure Act Code	Reporting Rule
02	Report for all F-classification codes and non-F-classification codes that have been increased by the USL&HW factor.
08	For Texas only, report for classification codes for oil, gas, or other mineral operations subject to the USL&HW Act.



Data Now Program (DNP) Federal Coverage Act Reporting

Loss Reporting



- For the Loss Condition Act code, report:
 - State Act 01 or USL&HW Act 02, depending on the benefit levels the claim was determined on
 - State Act 05 or USL&HW Act 08 for Texas Oil, Gas or Other Mineral Operations on or over water, depending on the benefit levels the claim was determined on
- For the Jurisdiction State, report 00 for federal benefits or appropriate state code for state benefits
- Accident with losses under state and USL&HW Acts is reported as one claim, with combined loss experience

Chapter 2: FELA and Admiralty Law

FELA stands for the Federal Employers' Liability Act. It provides benefits for railroad workers injured on the job.

Admiralty Law provides seamen who are masters and members of the crew of any vessel with the same benefits for on the job injuries as FELA. Admiralty is also known as Jones Act, Merchant Marine Act, and Maritime Law. Maritime refers to when employees are working on or near navigable waters.

Transportation, Wages, Maintenance, and Cure (TWMC) is an optional coverage that employers subject to Admiralty law can purchase.

Classification Categories

The classification structure for FELA and Admiralty Law coverage includes three categories of class codes. They are separated based on the Program and State or USL&HW Act Benefits:

- Program I
- Program II—State Act Benefits
- Program II—USL Act Benefits

Three categories of FELA and Admiralty Law classifications found in the *Basic Manual Users Guide*:



Data Now Program (DNP) Federal Coverage Act Reporting

Federal Employers' Liability Act	Code Number		
	Program I	Program II	
		State Act Benefits	USL Act Benefits
Railroad Construction—all operations including clerical, salespersons, and drivers	6702	6704	6703
Railroad Operation—all employees including drivers This classification contemplates the normal operations of railroads including normal maintenance and repair. All extraordinary repair work including such work as rebuilding bridges, grade crossing elimination, laying or relaying track, and all new construction operations shall be classified as Code 6702, 6703, or 6704.	7151	7153	7152
Clerical Office Employees—NOC	8814	8805	8815
Salespersons, Collectors, or Messengers—outside	8737	8734	8738

Admiralty Law classifications separated into their three categories:

Classifications	Code Number		
	Program I	Program II	
		State Act Benefits	USL Act Benefits
Boat Livery—boats under 15 tons This classification includes the laying up or putting into commission of boats. Boats 15 tons or over to be separately rated under the appropriate vessels classification.	7038	7090	7050
Diving—marine	7394	7395	7398
Dredging—all types	7333	7335	7337
Ferries This classification includes dock employees.	7016	7024	7047
Fishing Vessels—NOC This classification includes packing, curing, or shipping fish and repair of nets or boats.	7016	7024	7047
Oyster Boats This classification includes planting, harvesting, and operation of boats.	7016	7024	7047
Salvage Operations—marine	7394	7395	7398
Supply Boats	7016	7024	7047
Tugboats	7016	7024	7047
Vessels—NOC	7016	7024	7047
Vessels—not self-propelled Such vessels having a regular master and crew who are furnished living quarters aboard the vessel shall be rated as "Vessels NOC."	7046	7098	7099
Vessels—sail	7038	7090	7050
Wrecking—marine This classification includes salvage operations.	7394	7395	7398
Yachts—private—sail or power	7038	7090	7050

A separate minimum premium applies to a policy that includes FELA and Admiralty class codes. This minimum premium is in addition to the policy minimum premium for the Standard Policy. Similar to the standard limits of liability for employers liability coverage, there are standard limits for FELA and Admiralty coverage per accident and the aggregate policy limit.

However, the limits can be increased for an additional premium. Based on the selected higher limit, the increased premium is calculated by using the total manual premium for FELA or Admiralty class codes and multiplying the total manual premium by the appropriate factor.



Data Now Program (DNP) Federal Coverage Act Reporting

Limit per Accident	Factor		Minimum Premium**	
	Program I	Program II	Program I	Program II
\$100,000	1.00	1.00	\$ 0	\$ 0
200,000	1.31	1.26	75	100
300,000	1.47	1.41	75	100
400,000	1.56	1.50	75	100
500,000	1.60	1.54	75	100
1,000,000	1.77	1.70	120	150
5,000,000	2.13	2.04	200	250
10,000,000	2.20	2.11	250	300

Remember that there is a separate minimum premium for FELA and admiralty coverage. When the minimum premium is not met, the balance to minimum premium must be reported to Statistical Code 9849.

For increased limits premium, there are designated statistical codes that corresponds to the higher limits:

1. Premium Amount Subject to Experience Rating			
Phraseology	Stat Code	Premium Credit (-) or Debit (+)	Applicable States
Employers Liability Increased Limits for Admiralty or FELA Risks (\$200,000)	9819	Debit (+)	AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NH, NM, NV, OR, SC, SD, VA, VT, WV
Employers Liability Increased Limits for Admiralty or FELA Risks (\$300,000)	9820	Debit (+)	AL, AR, AZ, CT, DC, GA, IA, ID, IL, IN, KS, MS, NH, NM, NV, OR, SC, SD, VA, VT, WV

Reporting

- Exposure Act Code
 - Program I and Program II (State Act)—Report 01
 - Program II (USL&HW Act)—Report 02
- Loss Conditions Act Code
 - Program I and Program II (State Act)—Report 01
 - Program II (USL&HW Act)—Report 01 or 02 for Loss Conditions Act Code, depending on benefits
- For the Jurisdiction State, report 00 for federal benefits or appropriate state code for state benefits
- There is no statistical code designed for reporting premium for Transportation, Wages, Maintenance, and Cure (TWMC); any applicable premium charge is not reportable

Chapter 3: Federal Mine Safety and Health Act

The Federal Mine Safety and Health Act provides coverage for disease contracted by those employees subject to the Act. This disease has been referred to as Black Lung Disease, coal mine disease, and coal pneumoconiosis.

Specific classification codes for coal mining

- 1005—Coal Mining—Surface & Drivers
- 1016—Coal Mining NOC



Data Now Program (DNP) Federal Coverage Act Reporting

The loss costs and rates for these codes include the charge for Black Lung Disease coverage. This charge is considered a nonratable element, which means that the additional charge amount is not subject to experience rating, retrospective rating, or premium discounts.

Example:

Here is an example of the Kentucky loss cost pages displaying Codes 1005 and 1016 with asterisks. The asterisk is explained in the miscellaneous section of the pages, and lets you know that the loss cost for Codes 1005 and 1016 includes the nonratable disease element. The amount of the disease charge provides both federal and state benefits. But separate amounts are displayed if coverage is only for federal benefits or only state benefits.

Federal Mine Safety and Health Act—Classifications													
ADVISORY LOSS COSTS - NOT RATES													KENTUCKY
Advisory loss costs exclude all expense provisions.													
Original Printing											Page S1		
Effective January 1, 2021													
CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST	CLASS CODE	LOSS COST
1005*	15.75	2300	—	3027	0.90	3574	0.50	4250	0.68	5037	7.50	6217	3.05
1016*	41.72	2302	0.74	3028	1.19	3581	0.53	4251	1.05	5040	4.41	6229	3.54

* Class Codes with Specific Footnotes	
1005	Advisory loss cost includes a non-ratable disease element of \$7.79. (For coverage written separately for federal benefits only, \$7.20. For coverage written separately for state benefits only, \$0.59.)
1016	Advisory loss cost includes a non-ratable disease element of \$27.27. (For coverage written separately for federal benefits only, \$25.20. For coverage written separately for state benefits only, \$2.07.)

Reporting

- Exposure and losses for traumatic injuries and occupational disease (other than Black Lung Disease) are reported to the classification codes
- Exposure and losses for Black Lung Disease are reported to the corresponding statistical codes
- There are specific Exposure Act and Loss Condition Act codes designated for coverage under the Federal Mine Safety and Health Act



Data Now Program (DNP) Federal Coverage Act Reporting

Here are the coal mine classification codes with corresponding statistical codes for Black Lung Disease, along with State Exceptions:

Federal Mine Safety and Health Act—Reporting

Classification Code	Statistical Code
1016—Coal Mining NOC	0158—Black Lung Disease Experience in Connection With Code 1016
1005—Coal Mining—Surface and Drivers	0156—Black Lung Disease Experience in Connection With Code 1005
Any noncoal mining classification code	0164—Black Lung Disease Experience in Connection With Any Classification Other Than Coal Mine Code

State Exceptions

- Texas—Classification Code 1165 and corresponding Statistical Code 0156; 1016 and 0158 are not applicable
- Virginia—Statistical Codes 0161 (Substantial Exposure) and 0162 (Nonsubstantial Exposure); 0164 is not applicable

Reportable exposure coverage/loss condition act codes:

Exposure Coverage/Loss Condition Act	Description
01	State Act
03	Federal Mine Safety and Health Act
04	Federal Mine Safety and Health Act and the State Act

Resources

- ***Statistical Plan***
- ***Unit Statistical Reporting Guidebook***