



Governor  
Steve Beshear

**KENTUCKY WORKERS' COMPENSATION  
FUNDING COMMISSION**

42 Millcreek Park  
P.O. Box 1128  
Frankfort, Kentucky 40602-1128

Executive Director  
Winslow G. Hale

**IMPORTANT NOTICE**

To: All Self Insurers  
Date: March 10th, 2008  
Re: Quarterly Premiums Report – 1st Quarter - Ending March 31, 2008  
Report  
Due Date: April 30, 2008

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Enclosed is a Quarterly Premiums Report for the 1st Quarter ending March 31, 2008.

This report and any Special Fund assessments due for the 1st Quarter of 2008 must be received in the office of the Kentucky Workers' Compensation Funding Commission, **or postmarked by the United States Postal Service, no later than April 30, 2008.** Please note that a company's postage meter with date is **not** considered an acceptable form of USPS postmark.

**The rates in effect are as follows:**

<b>All Employers</b>	<b>6.5 %</b>
<b>Severance or Processing of Coal Additional</b>	<b>0.0 %</b>

**Note that the "All Employers" rate for 2008 remains the same as 2007. Also note that the "Coal Additional Assessment is changed to 0 % for 2008. The Funding Commission asks that you continue to report Coal Additional Premium and apply the new 0% rate for 2008.** Also note that each reporting Self Insured **must** submit a separate check per individual quarterly filing. Also notice that there is now a field to put the Contact Persons Email Address, below the Contact Persons phone number.

Please note that we now have an operational Web Site where you can download Quarterly Premium Report Notices and Forms. It can be reached at: [www.kwfcf.ky.gov](http://www.kwfcf.ky.gov) If you have any questions regarding this report, please call Kellie McDonough at (502) 573-3505 extension 232.

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**Winslow Hale**  
**Executive Director**

Enclosure: Quarterly Premiums Report – 1st Quarter 2008

PHONE: (502) 573-3505  
FAX: (502) 573-4023

[www.kwfcf.ky.gov](http://www.kwfcf.ky.gov)



## SPECIAL FUND ASSESSMENTS – INDIVIDUAL SELF-INSURERS

- (A) **All Employers Special Fund Assessments** A Special Fund assessment is imposed upon all employers carrying their own workers' compensation risk in accordance with KRS 342.340 based upon the premium calculated by the Department of Workers' Claims as defined in KRS 342.0011(28). The Special Fund assessment is not imposed upon premiums written or received for the following:
- (a) On contracts between insurance carriers and reinsurers;
  - (b) Excess or catastrophic coverage for self-insurers approved under the provisions of KRS 342;
  - (c) Federal Black Lung or other Federal workers' compensation provided individual self-insurers; and
  - (d) Longshoremen's and Harbor Workers' Compensation Act Coverage.
- (B) **Additional Assessment – Severance or Processing of Coal** In addition to the assessment imposed in (1) above, an additional Special Fund assessment is imposed upon premiums from employers engaged in the severance or processing of coal. This additional assessment is to be applied to the total premium, including administrative and selling functions, of any employer with any employees on its payroll engaged in any activity performed in Kentucky at underground, auger and surface mining sites, any activity performed at tippie or processing plants that clean, break, size or treat coal or any activity performed at coal loading facilities for trucks, railroads and barges, provided:
- (a) This additional assessment shall not apply to acts performed by final consumer at site of final consumption;
  - (b) This additional assessment shall not apply to acts performed by independent truckers not otherwise affiliated with an employer engaged in the above coal severance or processing activities;
  - (c) A business entity which is engaged in a separate business activity not related to coal, for which a separate premium charge is not made, shall be deemed to be engaged in the severance or processing of coal only to the extent that the number of employees engaged in the severance or processing of coal bears to the total number of employees.

### INSTRUCTIONS

- (1) **Total Annual Calculated Premium**
- Column (A)** Total Self-Insured Premium calculated by the Department of Workers' Claims for the calendar year that includes the quarter covered by the report.
- Column (B)** Amount in Column (A) for employers engaged in the severance or processing of coal.
- (2) **Quarterly Premium** Amount of Total Annual Calculated Premium on Line (1) applicable to the quarter covered by the report. An employer qualified as a self-insurer on or before January 1, of the calendar year for which the report is submitted shall divide the Total Calculated Premium by four (4) to obtain the amount or premium to be reported for each quarter. An employer qualifying or ceasing as a self-insurer after January 1, of the calendar year for which the report is submitted shall apportion the Quarterly Premium obtained above in accordance with the number of days that the employer was self-insured during the quarter reported.
- (3) **Special Fund Assessment Rates** The Special Fund assessment rates effective January 1, shall apply to the four (4) calendar quarters ending December 31, of the same year.
- (4) **Assessments Due** Multiply amounts in (2)(A) and (2)(B) by Special Fund assessment rate applicable to each.
- (5) **Total Assessment Due** Add amounts in (4)(A) and (4)(B) to obtain assessment due for quarter reported.
- (6) **Adjustment From Previous Reports** Enter any credit or debit adjustments or corrections from previous reports. Attach detailed explanation.
- (7) **Total Amount Due** Total of Lines (5) and (6) to be remitted with report.

### PENALTY AND INTEREST

**Penalty and Interest** Penalty and interest shall be applied to quarterly payments not received in the office of the Funding Commission or post-marked by the United States Postal Service by the 30th day of the month following the end of the calendar quarter. Interest shall be applied at the rate of 8% per annum for 2008, calculated on the number of days past due. A penalty of 1.5% per month shall be charged for any portion of any month that payment is past due without proration.