

COMPLIANCE AUDIT REPORT

STATE OF MAINE
WORKERS' COMPENSATION BOARD



American International Group
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Office of Monitoring, Audit & Enforcement

John C. Rohde
Executive Director

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SUMMARY

American International Group (AIG) provides a wide variety of business insurance products including workers' compensation.

The Audit Division of the Maine Workers' Compensation Board (Board) examined thirty-seven (37) claim files where indemnity benefits were paid for the period under examination (2021) as well as fifty-eight (58) medical payments for the period under examination (2021) to determine compliance with statutory and regulatory requirements in the following areas:

- Form filing
- Timeliness of benefit payments
- Accuracy of benefit payments

The claim sample was drawn from a listing of all of AIG's 2021 Maine workers' compensation claims. The medical payment sample was drawn from a listing of all of AIG's 2021 medical payments for those claims in the sample.

AIG handles its Maine workers' compensation claims primarily in Alpharetta, Georgia.

The compliance tables found on pages 19 through 23 of this report are representative of Board findings as of May 4, 2022. Since that time, the Audit Division has received additional information, missing form filings, form corrections, indemnity payments and adjustments. Based on this information, the Detailed Claims Information provided as an appendix of this report is representative of Board findings and updated form filings as of the issuance of this report.

Following is a discussion of the aforementioned compliance tables and of the steps taken since May 4, 2022 to rectify identified noncompliance issues. This discussion also includes other significant issues identified by the audit.

◆ **Form filing**

- Title 39-A M.R.S.A. and the Board Rules and Regulations provide the requirements for reports to the Board:

| | |
|---|--|
| <i>WCB-1, First Report of Occupational Injury or Disease</i> | <i>39-A M.R.S.A. Section 303, Rules & Regs, Ch 8 Section 13, Rules & Regs, Ch 3 Section 4</i> |
| <i>WCB-2, Wage Statement</i> | <i>39-A M.R.S.A. Section 303</i> |
| <i>WCB-2B, Fringe Benefits Worksheet</i> | <i>39-A M.R.S.A. Section 303</i> |
| <i>WCB-3, Memorandum of Payment (MOP)</i> | <i>Rules & Regs, Ch 1 Section 1.1, Rules & Regs, Ch 1 Section 1.3, 39-A M.R.S.A. Section 205(7), Rules & Regs, Ch 8 Section 12</i> |
| <i>WCB-4, Discontinuance or Modification of Compensation</i> | <i>Rules & Regs, Ch 8 Section 11, Rules & Regs, Ch 8 Section 12</i> |
| <i>WCB-4A, Consent Between Employer and Employee</i> | <i>Rules & Regs, Ch 8 Section 18</i> |
| <i>WCB-8, (21 Day) Certificate of Discontinuance or Reduction of Compensation</i> | <i>39-A M.R.S.A. Section 205(9)</i> |
| <i>WCB-9, Notice of Controversy (NOC)</i> | <i>Rules & Regs, Ch 1 Section 1.1, Rules & Regs, Ch 3 Section 4</i> |
| <i>WCB-11, Statement of Compensation Paid</i> | <i>Rules & Regs, Ch 8 Section 1, Rules & Regs, Ch 8 Section 12</i> |

- Failure to file any Board form within established time frames is a violation of Title 39-A M.R.S.A. Section 360(1) (A) or (B).
- First Report of Occupational Injury or Disease (WCB-1):
 - Twenty-five (25) First Report of Occupational Injury or Disease forms were filed in accordance with the above requirements.
 - AIG's compliance rate for First Report of Occupational Injury or Disease filings is 68%, which is below the Board's performance benchmark of 85%.
 - Twelve (12) First Report of Occupational Injury or Disease forms were filed late.
- Wage Statement (WCB-2) and Fringe Benefits Worksheet (WCB-2B):
 - Twenty-eight (28) Wage Statements and twenty-eight (28) Fringe Benefits Worksheets were filed in accordance with the above requirements.
 - AIG's compliance rate for Wage Statement filings is 76%, which is above the Board's performance benchmark of 75%.
 - AIG's compliance rate for Fringe Benefits Worksheet filings is 76%, which is above the Board's performance benchmark of 75%.

- Seven (7) Wage Statements and seven (7) Fringe Benefits Worksheets were filed late.
- Two (2) Wage Statements and two (2) Fringe Benefits Worksheets were required, but not filed.
- Memorandum of Payment (WCB-3 or WCB-4A) and Notice of Controversy (WCB-9):
 - Twenty-four (24) Memorandum of Payment forms and five (5) Notice of Controversy (“lost time”) forms were filed in accordance with the above requirements.
 - AIG’s compliance rate for Memorandum of Payment filings is 65%, which is below the Board’s performance benchmark of 85%.
 - AIG’s compliance rate for Notice of Controversy filings is 100%, which is above the Board’s performance benchmark of 90%.
 - Thirteen (13) Memorandum of Payment forms were filed late.
- Discontinuance of Compensation (WCB-4D or WCB-4A):
 - Seventeen (17) Discontinuance of Compensation forms were filed in accordance with the above requirements.
 - Twelve (12) Discontinuance of Compensation forms were filed late.
 - One (1) Discontinuance of Compensation form was required, but not filed.
 - Since May 4, 2022, AIG submitted that one (1) Discontinuance of Compensation form.
- Modification of Compensation (WCB-4M):
 - Five (5) Modification of Compensation forms were filed in accordance with the above requirements.
 - Three (3) Modification of Compensation forms were filed late.
- (21 Day) Certificate of Discontinuance or Reduction of Compensation (WCB-8 or WCB-4A):
 - Two (2) (21 Day) Certificate of Discontinuance or Reduction of Compensation forms were filed in accordance with the above requirements.
- Statement of Compensation Paid (WCB-11):
 - Twenty-one (21) Statement of Compensation Paid forms were filed in accordance with the above requirements.
 - One (1) Statement of Compensation Paid form was filed late.
 - Six (6) Statement of Compensation Paid forms were required, but not filed.

In response to this problem area, AIG will take steps to improve future compliance by providing additional staff training and requiring supervisory review of forms to be filed.

◆ **Timeliness of benefit payments**

- Title 39-A M.R.S.A. Section 205(2) provides the time requirements for indemnity payments.
- When there is not an ongoing dispute, failure to pay weekly compensation benefits or accrued weekly benefits within 30 days after becoming due and payable is a violation of Title 39-A M.R.S.A. Section 205(2) and subject to penalty under Section 205(3).
- Initial Indemnity Payments:
 - Ten (10) initial indemnity payments were made timely and twenty (20) claims received “salary continuation” from their respective employers.
 - AIG’s compliance rate for initial indemnity payments (timely payments and “salary continuation” collectively) is 81%, which is below the Board’s performance benchmark of 87%.
 - Seven (7) initial indemnity payments were made late.
 - Six (6) late initial indemnity payments were made later than 30 days after they became due and payable, in violation of Section 205(2) and subject to penalty under Section 205(3).
- Subsequent Indemnity Payments:
 - One hundred ninety-four (194) subsequent indemnity payments were made timely.
 - Fifteen (15) subsequent indemnity payments were made late.
 - One (1) late subsequent indemnity payment was made later than 30 days after it became due and payable in violation of Section 205(2) and subject to penalty under Section 205(3).
- Board Rules and Regulations Chapter 5 states in part, “The employer/insurer shall pay the health care provider's charge or the maximum allowable payment under this fee schedule, whichever is less, within 30 days of receipt of a bill unless the bill or previous bills from the same provider or the underlying injury has been controverted or denied. If an employer/insurer controverts whether a health care provider’s bill is reasonable and proper under § 206 of the Act, the employer/insurer shall send a copy of the notice of controversy to the health care provider.”
 - Fifty-six (56) medical bills were paid timely.
 - Two (2) medical bills were paid late.
- Title 39-A M.R.S.A. Section 324(1) provides the requirements for compensation payments per an approved agreement, order or decision. Board Rules and Regulations Chapter 8, Section 18.2 provides the requirements for compensation payments per a Consent Between Employer and Employee (WCB-4A).
 - One (1) Provisional Order was paid late in violation of Section 324(1) and subject to penalty under Section 324(2).

In response to notice of these problem areas, AIG will take steps to improve future compliance by providing additional staff training regarding those actions necessary to ensure timely payments.

◆ **Accuracy of indemnity payments**

- Title 39-A M.R.S.A. Section 102(4) and Board Rules and Regulations Chapter 1, Section 5 provide the requirements for calculating average weekly wages (AWWs). Title 39-A M.R.S.A. Section 102(1) and Board Rules and Regulations Chapter 8, Section 9 provides the requirements for determining weekly compensation rates (WCRs). Title 39-A M.R.S.A. Sections 212, 213, and 215 provide the requirements for compensation for total incapacity, partial incapacity, and death benefits.
- The accuracy of indemnity payments was reviewed for thirty-seven (37) claims.
- Average Weekly Wage:
 - Twenty-four (24) AWWs were correct.
 - Eleven (11) AWWs were incorrect.
 - Two (2) AWWs are unknown.
- Weekly Compensation Rate:
 - Twenty-four (24) WCRs were correct.
 - Eleven (11) WCRs were incorrect.
 - Two (2) WCRs are unknown.
- Partial Benefits Calculation Method:
 - The method used to calculate partial benefits was correct for eleven (11) claims.
 - The method used to calculate partial benefits was incorrect for one (1) claim.
- Amount Paid:
 - Six (6) claims were compensated correctly, and fifteen (15) claims received “salary continuation” from their respective employers.
 - Ten (10) claims were underpaid (\$6,045.38 aggregately).
 - Since May 4, 2022, AIG paid \$5,985.11 of the amounts due.
 - Six (6) claims were overpaid (\$1,918.39 aggregately).
 - Collectively, the aforementioned errors resulted in a net underpayment of \$4,126.99 to injured workers.

In response to notice of these problem areas, AIG will take steps to improve future compliance by providing additional staff training regarding those actions necessary to ensure accurate payments.

◆ **Accuracy of medical payments**

- Title 39-A M.R.S.A. Section 209-A and Board Rules and Regulations Chapter 5 provide the fee setting requirements for medical and ancillary services and products rendered by individual health care practitioners and health care facilities.
- The accuracy of fifty-eight (58) medical payments was reviewed among fourteen (14) claims.
- Amount Paid:
 - Fifty-eight (58) medical payments sampled were correct.

◆ **Other significant issues**

- Box 22 (First Day Of Compensability After Waiting Period Is Met) of the WCB-3, Memorandum of Payment (MOP) must accurately reflect the date of the first compensable day that follows the completion of the 7-day waiting period. See the Board's Forms and Petitions Manual.
 - Incorrect dates were reported in Box 22 of the MOPs that were filed for three (3) claims.
- Boxes 23a (Date of Incapacity) and 23b (Date Employer Notified) of the WCB-3, Memorandum of Payment (MOP) must accurately reflect the date of incapacity and date that the employer was notified of the incapacity. Note: the Date of Incapacity reported in Box 23a and the Date Employer Notified in Box 23b must equal the Date of Incapacity (DN56) and Date Employer Notified (DN281) reported in box 43 of the WCB-1, Employer's First Report of Occupational Injury or Disease (First Report). See the Board's Forms and Petitions Manual.
 - Incorrect dates were reported in Boxes 23a and/or 23b of the MOPs that were filed for six (6) claims.
- Box 24 (Date Check Mailed) of the WCB-3, Memorandum of Payment (MOP) must accurately reflect the date that the initial indemnity payment (for the incapacity addressed by the MOP) is sent to the employee. See the Board's Forms and Petitions Manual.
 - Incorrect dates were reported in Box 24 of the MOPs that were filed for six (6) claims.
- Section 213 provides the requirements for partial incapacity benefits. Partial benefits must be calculated at a rate of 2/3 of the difference between the employee's pre-injury (after-tax) AWW and their post-injury (after-tax) weekly (based on payroll, i.e. Saturday through Friday) actual wages (not based on M-1). See Board Rules and Regulations Chapter 8, Section 8.
 - It appears that post-injury wages were not reviewed to assess a potential obligation to pay partial benefits when one (1) employee returned to work on "modified duty".

PENALTIES

◆ Penalties payable to providers and/or injured employees

Title 39-A M.R.S.A. Section 205(3)

“When there is not an ongoing dispute, if weekly compensation benefits or accrued weekly benefits are not paid within thirty (30) days after becoming due and payable, \$50 per day must be added and paid to the worker for each day over thirty (30) days in which the benefits are not paid. Not more than \$1,500 in total may be added pursuant to this subsection. For purposes of ratemaking, daily charges paid under this subsection do not constitute elements of loss.”

Delays of initial indemnity payments, subject to penalty under Section 205(3), were found on the following claims:

| CLAIM | PENALTY JUSTIFICATION | PENALTY EXPOSURE |
|--|---|-------------------|
| Courtney Dame vs. Target Corporation Date of Injury: 8/23/21 Date ER Notified of Incapacity: 8/24/21 Claim # ME216157550001 Board # 21023073 | No NOC was filed, and the initial indemnity payment was made 10/21/21, which was 41 days after compensation became due and payable (9/10/21). | \$550.00* |
| Charlie A. Marquis vs TrueBlue Inc.- People Read Date of Injury: 10/29/21 Date ER Notified of Incapacity: 10/30/21 Claim # 1E01E011068188 Board # 21029532 | No NOC was filed, and the initial indemnity payment was made 1/18/22, which was 66 days after compensation became due and payable (11/13/21). | \$1,500.00 |
| Mary Parker vs. Healthcare Services Group Date of Injury: 2/28/21 Date ER Notified of Incapacity: 3/1/21 Claim # 005485026699WC01 Board # 21004769 | No NOC was filed, and the initial indemnity payment was made 12/7/21, which was 172 days after compensation became due and payable (6/18/21). | \$1,500.00 |
| Teresa Rogan vs. Target Corporation Date of Injury: 11/3/21 Date ER Notified of Incapacity: 11/8/21 Claim # ME216303240001-O04 Board # 21027600 | No NOC was filed, and the initial indemnity payment was made 1/13/22, which was 41 days after compensation became due and payable (12/3/21). | \$550.00* |
| Kandice Swanson vs. Genesis Healthcare, LLC. Date of Injury: 6/17/21 Date ER Notified of Incapacity: 6/24/21 Claim # 4A210773D09001-MGA Board # 21016370 | No NOC was filed, and the initial indemnity payment was made 8/18/21, which was 41 days after compensation became due and payable (7/8/21). | \$550.00* |
| Gail Wickett vs. Healthcare Services Group Date of Injury: 1/10/21 Date ER Notified of Incapacity: 1/11/21 Claim # 005485026491WC01 Board # 21003574 | No NOC was filed, and the initial indemnity payment was made 3/4/21, which was 38 days after compensation became due and payable (1/25/21). | \$400.00 |
| Total Penalties to Injured Employees for Delays of Initial Indemnity Payments | | \$5,050.00 |

* Paid.

A delay of subsequent indemnity payment, subject to penalty under Section 205(3), was found on the following claim:

| CLAIM | PENALTY JUSTIFICATION | PENALTY EXPOSURE |
|--|---|-------------------|
| Mohamed Omar vs. Volt Information Sciences Date of Injury: 10/18/21 Date ER Notified of Incapacity: 10/19/21 Claim # 002086019505WC01 Board # 21024378 | The subsequent indemnity payment was made 6/24/22, which was 79 days after the previous indemnity payment (4/6/22). | \$1,500.00 |
| Total Penalties to Injured Employees for Delays of Subsequent Indemnity Payments | | \$1,500.00 |

Delays of “other” indemnity payments, subject to penalty under Section 205(3), were found on the following claims:

| CLAIM | PENALTY JUSTIFICATION | PENALTY EXPOSURE |
|--|---|-------------------|
| Keith Lothrop vs. Healthcare Services Group Date of Injury: 6/9/21 Date ER Notified of Incapacity: 8/20/21 Claim # 005485027679WC01 Board # 21014815 | Payment for part of the 7-day waiting period was made 6/12/23, which was 647 days after compensation became due and payable (9/3/21). | \$1,500.00 |
| Mohamed Omar vs. Volt Information Sciences Date of Injury: 10/18/21 Date ER Notified of Incapacity: 10/19/21 Claim # 002086019505WC01 Board # 21024378 | Failed to pay benefits week ending 1/30/22. Payment of accrued benefits was made 1/31/24, which was 717 days after compensation became due and payable (2/13/22). | \$1,500.00 |
| Derick Stufflebeam vs. Charter Communications Date of Injury: 4/18/21 Date ER Notified of Incapacity: 4/19/21 Claim # 1E01E010134607 Board # 21010564 | Payment for part of the 7-day waiting period has not yet been made. | \$1,500.00 |
| Total Penalties to Injured Employees for Delays of “Other” Indemnity Payments | | \$4,500.00 |

**◆ Penalties payable to injured employees and the Workers' Compensation Board
Administrative Fund**

Title 39-A M.R.S.A. Section 324(2)(A)

“Except as otherwise provided by Section 205, if an employer or insurance carrier fails to pay compensation as provided in this section, the Board may assess against the employer or insurance carrier a forfeiture of up to \$200 for each day of noncompliance.”

Violations subject to penalty under Section 324(2) was found on the following claim:

| CLAIM | PENALTY JUSTIFICATION | PENALTY EXPOSURE |
|--|--|-------------------------|
| Lori Whitaker vs. Genesis Healthcare, LLC. Date of Injury: 3/8/21 Date ER Notified of Incapacity: 3/22/21 Claim # 402103847B40001-MGA Board # 21005326 | Benefits were paid 3/15/22, which was 12 days after the corresponding Provisional Order was signed (3/3/22). | \$400.00** |
| Total | | \$400.00 |

** This claim has been settled by Lump Sum and the Audit Division is not pursuing penalties (on behalf of the corresponding employee) arising from the violation cited.

◆ Penalties payable to the State General Fund

Title 39-A M.R.S.A. Section 359(2)

“In addition to any other penalty assessment permitted under this Act, the Board may assess civil penalties not to exceed \$25,000 upon finding, after hearing, that an employer, insurer or 3rd-party administrator for an employer has engaged in a pattern of questionable claims-handling techniques or repeated unreasonably contested claims. The Board shall certify its findings to the Superintendent of Insurance, who shall take appropriate action so as to bring any such practices to a halt. This certification by the Board is exempt from the provisions of the Maine Administrative Procedure Act. The amount of any penalty assessed pursuant to this subsection must be directly related to the severity of the pattern of questionable claims-handling techniques or repeated unreasonably contested claims. All penalties collected pursuant to this subsection shall inure to the benefit of the General Fund. An insurance carrier’s payment of any penalty assessed under this section may not be considered an element of loss for the purpose of establishing rates for workers' compensation insurance.”

No action will be taken at this time.

To avoid future penalty referral(s) under Section 359(2) and/or 360(2), AIG must take corrective measures to address the following inadequacies:

- Failure to file or timely file forms with the Board
- Failure to pay or timely pay benefits
- Failure to pay benefits accurately

Title 39-A M.R.S.A. Section 360(1)(A)

“The Board may assess a civil penalty not to exceed \$100 for each violation on any person: Who fails to file or complete any report or form required by this Act or rules adopted under this Act.”

Violations subject to penalty under Section 360(1)(A) were found on the following claims:

| Employee | Date of Injury | Forms Not Filed | Penalty Exposure |
|-----------------|-----------------------|--|-------------------------|
| | 9/30/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-11, Statement of Compensation Paid (2) | \$200.00 |
| | 2/28/21 | WCB-11, Statement of Compensation Paid | \$100.00 |
| | 4/18/21 | WCB-11, Statement of Compensation Paid (2) | \$200.00 |
| | 6/17/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | 8/10/21 | WCB-11, Statement of Compensation Paid | \$100.00 |
| TOTAL: | | | \$1,000.00 |

Title 39-A M.R.S.A. Section 360(1)(B)

“The Board may assess a civil penalty not to exceed \$100 for each violation on any person: Who fails to file or complete such a report or form within the time limits specified in this Act or rules adopted under this Act.”

Violations subject to penalty under Section 360(1)(B) were found on the following claims:

| Employee | Date of Injury | Forms Filed Late | Penalty Exposure |
|-----------------|-----------------------|--|-------------------------|
| | 1/2/21 | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 11/24/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 8/13/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 8/23/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 11/11/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | 12/26/21 | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 3/22/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 11/5/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 1/13/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | 6/9/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |

| Employee | Date of Injury | Forms Filed Late | Penalty Exposure |
|----------|----------------|--|------------------|
| | 10/29/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |
| | | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 1/1/21 | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 10/18/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | 2/28/21 | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-11, Statement of Compensation Paid | \$100.00 |
| | 1/6/21 | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | 11/3/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |
| | | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 4/18/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 6/17/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 1/4/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |

| Employee | Date of Injury | Forms Filed Late | Penalty Exposure |
|-----------------|-----------------------|--|-------------------------|
| | 1/10/21 | WCB-1, Employer's First Report of Occupational Injury or Disease | \$100.00* |
| | | WCB-2, Wage Statement | \$100.00 |
| | | WCB-2B, Fringe Benefits Worksheet | \$100.00 |
| | | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| | 8/10/21 | WCB-3, Memorandum of Payment | \$100.00 |
| | | WCB-4, Discontinuance or Modification of Compensation | \$100.00 |
| TOTAL: | | | \$5,600.00 |

* Paid AIU.

Title 39-A M.R.S.A. Section 360(2)

“The Board may assess, after hearing, a civil penalty in an amount not to exceed \$1,000 for an individual and \$10,000 for a corporation, partnership or other legal entity for any willful violation of this Act, fraud or intentional misrepresentation. The Board may also require that person to repay any compensation received through a violation of this Act, fraud or intentional misrepresentation or to pay any compensation withheld through a violation of this Act, fraud or misrepresentation, with interest at the rate of 10% per year.”

- No action will be taken at this time.

To avoid future penalty referral(s) under Section 360(2) and/or 359(2), AIG must take corrective measures to address the following inadequacies:

- Failure to file or timely file forms with the Board
- Failure to pay or timely pay benefits
- Failure to pay benefits accurately

COMPLIANCE TABLES

◆ Form Filing

A. First Report of Occupational Injury or Disease (WCB-1)

| | | 2021 | |
|------------------------|------------------|--------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 25 | 68% |
| Late | | 12 | 32% |
| Total | | 37 | 100% |

B. Wage Statement (WCB-2)

| | | 2021 | |
|------------------------|------------------|--------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 28 | 76% |
| Late | | 7 | 19% |
| Not Filed | | 2 | 5% |
| Total | | 37 | 100% |

C. Fringe Benefits Worksheet (WCB-2B)

| | | 2021 | |
|------------------------|------------------|--------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 28 | 76% |
| Late | | 7 | 19% |
| Not Filed | | 2 | 5% |
| Total | | 37 | 100% |

D. Memorandum of Payment (WCB-3 or WCB-4A)

| | | 2021 | |
|------------------------|------------------|--------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 24 | 65% |
| Late | | 13 | 35% |
| Total | | 37 | 100% |

E. Discontinuance of Compensation (WCB-4D or WCB-4A)

| | | 2021 | |
|------------------------|------------------|-------------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 17 | 57% |
| Late | | 12 | 40% |
| Not Filed | | 1 | 3% |
| Total | | 30 | 100% |

F. Modification of Compensation (WCB-4M)

| | | 2021 | |
|------------------------|------------------|-------------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 5 | 63% |
| Late | | 3 | 37% |
| Total | | 8 | 100% |

G. Certificate of Discontinuance or Reduction of Compensation (WCB-8 or WCB-4A)

| | | 2021 | |
|------------------------|------------------|-------------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 2 | 100% |
| Total | | 2 | 100% |

H. Notice of Controversy (WCB-9)

| | | 2021 | |
|------------------------|------------------|-------------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 5 | 100% |
| Total | | 5 | 100% |

I. Statement of Compensation Paid (WCB-11)

| | | 2021 | |
|------------------------|------------------|-------------|---------|
| | | Number | Percent |
| Received at the Board: | | | |
| Filed | Compliant | 21 | 75% |
| Late | | 1 | 4% |
| Not Filed | | 6 | 21% |
| Total | | 28 | 100% |

◆ **Timeliness of Benefit Payments**

J. Initial Payment of Indemnity Benefits

| | | | 2021 | |
|----------------------|------|------------------|-------------|---------|
| | | | Number | Percent |
| Check Issued Within: | | | | |
| 0-14 | Days | Compliant | 30 | 81% |
| 15-44 | Days | | 1 | 3% |
| 45+ | Days | | 6 | 16% |
| Total | | | 37 | 100% |

K. Subsequent Payment of Indemnity Benefits

| | | | 2021 | |
|----------------------|------|------------------|-------------|---------|
| | | | Number | Percent |
| Check Issued Within: | | | | |
| 0-7 | Days | Compliant | 194 | 93% |
| 8-37 | Days | | 14 | 6% |
| 38+ | Days | | 1 | 1% |
| Total | | | 209 | 100% |

L. Medical Payments

| | | | 2021 | |
|----------------------|------|------------------|-------------|---------|
| | | | Number | Percent |
| Check Issued Within: | | | | |
| 0-30 | Days | Compliant | 56 | 97% |
| 31+ | Days | | 2 | 3% |
| Total | | | 58 | 100% |

M. Payment of Approved Agreements, Orders, Decisions

| | | | 2021 | |
|----------------------|------|------------------|-------------|---------|
| | | | Number | Percent |
| Check Issued Within: | | | | |
| 0-10 | Days | Compliant | 0 | |
| 10 + | Days | | 1 | 100% |
| Total | | | 1 | 100% |

◆ **Accuracy of Indemnity Payments**

N. Average Weekly Wage

| | | 2021 | |
|-------------|------------------|-------------|---------|
| | | Number | Percent |
| Calculated: | | | |
| Correct | Compliant | 24 | 65% |
| Incorrect | | 11 | 30% |
| Unknown | | 2 | 5% |
| Total | | 37 | 100% |

O. Weekly Compensation Rate

| | | 2021 | |
|-------------|------------------|-------------|---------|
| | | Number | Percent |
| Calculated: | | | |
| Correct | Compliant | 24 | 65% |
| Incorrect | | 11 | 30% |
| Unknown | | 2 | 5% |
| Total | | 37 | 100% |

P. Partial Benefits

| | | 2021 | |
|-------------|------------------|-------------|---------|
| | | Number | Percent |
| Calculated: | | | |
| Correct | Compliant | 11 | 92% |
| Incorrect | | 1 | 8% |
| Total | | 12 | 100% |

Q. Amount Paid

| | | 2021 | |
|-------------|------------------|-------------|---------|
| | | Number | Percent |
| Calculated: | | | |
| Correct | Compliant | 21 | 57% |
| Underpaid | | 10 | 27% |
| Overpaid | | 6 | 16% |
| Total | | 37 | 100% |

◆ **Accuracy of Medical Payments**

R. Amount Paid

| | | 2021 | |
|-------------|------------------|-------------|---------|
| | | Number | Percent |
| Calculated: | | | |
| Correct | Compliant | 58 | 100% |
| Total | | 58 | 100% |