

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Employment Services**

MURIEL BOWSER  
MAYOR



DR. UNIQUE MORRIS-HUGHES  
DIRECTOR

**OFFICE OF WORKERS' COMPENSATION**

September 30, 2020

Dear Workers' Compensation Insurer:

The purpose of this correspondence is to provide official notification of the

**District of Columbia Workers' Compensation Program – Fiscal Year 2021**  
**“PREMIUM SURCHARGE FOR WORKERS' COMPENSATION POLICIES.”**

Attachment A explains the formula used to calculate the premium surcharge. Effective October 1, 2020 through September 30, 2021, **the rate is .91 percent.**

For your immediate reference, **Attachments B and C** contain the schedule and format for remitting premium surcharge payments to the D.C. Department of Employment Services, Office of the Chief Financial Officer at 4058 Minnesota Avenue, NE – 5<sup>th</sup> Floor, Suite 5700, Washington, D.C. 20019.

If you have any questions or concerns, I can be reached at 202-671-1555 or by e-mail at [Mohammad.sheikh@dc.gov](mailto:Mohammad.sheikh@dc.gov).

Sincerely,

A handwritten signature in black ink that reads "Mohammad R. Sheikh".

Mohammad R. Sheikh  
Deputy Director  
Labor Standards Bureau

Attachments

# GOVERNMENT OF THE DISTRICT OF COLUMBIA

## Department of Employment Services

MURIEL BOWSER  
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DIRECTOR

### OFFICE OF WORKERS' COMPENSATION

## FISCAL YEAR 2021 PREMIUM SURCHARGE RATE

(Formula Used to Calculate the Premium Surcharge)

### Computation Factors

Total Fiscal Year 2019 Reported Losses (Self Insurers and Insurance Carriers) = \$137,422,122.83

Total Fiscal Year 2019 Reported Losses (Carriers Only) = \$103,323,190.58

Fiscal Year 2021 Special Fund Assessment = \$2,300,000.00

2019 Paid Workers' Compensation Insurance Premiums = \$190,738,535.00

### Computations

1. Determine Insurance Carriers' Proportion of the Total Paid Losses for the Preceding Fiscal Year.

Insurance Carriers Paid Losses divided by Total Paid Losses =  
Insurance Carriers Proportion:

Divided by \$103,323,190.58 divided by \$137,422,122.83 = .7519

2. Determine the Dollar Amount of the Special Fund to be Collected through the Employer Insurance Premium Surcharge.

Special Fund Assessment x Insurance Carrier Proportion of Total Paid Losses =  
Amount to be Collected through Insurance Premium Surcharge:

\$2,300,000.00 x .7519 = \$1,729,370.00

3. Determine Premium Surcharge Rate.

Amount to be collected divided by the Preceding Year's Paid Workers' Compensation  
Insurance Premiums = Premium Surcharge Rate:

\$1,729,370.00 divided by \$190,738,535.00

=

**PREMIUM SURCHARGE RATE**

[OCTOBER 1, 2020 THROUGH SEPTEMBER 30, 2021]

.0091 or .91 Percent

Attachment A