

**March 1, 2008**

## **Advisory 2003-1**

### **Form AR-4 Monitoring Program**

The Arkansas Workers' Compensation Commission (AWCC) is required to obtain from insurer entities Form AR-4 for cases opened at the commission. The AWCC uses the AR-4 data for a variety of statistical requirements and legislative mandates.

Effective January 1, 2004, Rule 099.39 performance will be impacted by AR-4 filings. It is the AWCC position that entities submitting AR-4 should be held accountable for accuracy, completeness, and timeliness of the data. After more than a year of monitoring, the AWCC determined a large percentage of cases remain open because of unresolved AR-4 problems.

The AWCC introduced the AR-4 Monitoring Program procedures in 2001, which included the monitoring of AR-4 filings through 2002. It announced its intention to use 2003 to issue AR-4 report cards to inform and encourage entities to address and resolve problems before those cases impact overall Rule 099.39 performance. The AWCC also announced that, effective January 1, 2004, Rule 099.39 performance results may be affected by AR-4 filings.

Under **Rule 099.39 II. C. 2.**, the AWCC now generates reports listing cases where an AR-4 was received at the AWCC, but returned because of insufficient information. These lists are included with other reports generated under Rule 099.39. An unacceptable AR-4 is returned to sender with a written request for corrected or additional information within 30 days. If the information or an objection is not received within that time frame, the case is added to the next quarter's report. Any unresolved AR-4 cases will remain on subsequent quarterly reports and may adversely impact an entity's overall performance results. The quarterly AR-4 lists are cumulative; cases will remain on reports until the case is closed by the AWCC.

Entities may receive acceptable grades in first payments and timely filings of other forms, but earn an unacceptable performance on AR-4 filings. It is imperative that these AR-4 cases be resolved promptly. Unresolved AR-4 cases may subject the responsible entity to sanctions.

*This Advisory updates Advisory 2003-1, first issued March 14, 2003*