



APR 29 2014

BLBA BULLETIN NO. 14-02

Issue Date: April 2014

Expiration Date: Indefinite

Subject: Trust Fund Conversions: Travelers Casualty and Surety Company Inc.

Background: The Division of Coal Mine Workers' Compensation reached a settlement with Travelers Casualty and Surety Company Inc., in 2012. As the surety for New Horizons Holdings, Travelers has surrendered the penal sum for bond # 103614221. The bond covered Federal Black claims against the operators named below, whose self-insurance coverage was with New Horizons Holdings, from April 1, 1980 to December 5, 2006.

Purpose: To provide guidance for District Office staff in adjudicating claims in which the date of last employment was with a coal mine operator during the period of self-insurance covered by New Horizon Holdings (parent of Great Western Resources) whose surety bond was issued by Travelers Casualty and Surety Company.

Applicability: Appropriate DCMWC Personnel.

Action:

1. Every claim should be fully developed and analyzed to ensure that the miner had a full year of coal employment (CME) with, or CME subsequent to, his employment with an operator whose self insurance had been secured with Travelers surety bond # 103614221, as either of these circumstances may result in the identification of another coal miner operator as potentially liable.
2. If the operator was the last employer for which the miner worked at least one year, and would normally be sent a Notice of Claim under 725.407, there is no need to notify the operator or request a 725.495 statement for the Responsible Operator from BSRP. These claims should be treated as BL Trust Fund claims.

Note that there is commercial insurance coverage (redundant) for some of these companies. Please check NCCI and the ROIC policy screens. Utilize the existing commercial coverage prior to sending the claim to the Trust Fund.

3. For claims with an existing PDO, convert the Benefit Master record from Interim ("I") pay to TF ("T") pay in the following claims: active claims pending at the District Director level in which the date of last CME occurred during the period April 1, 1980 to December 5, 2006.

4. In order to maintain a CAPS system "record" of the relationship of this claim to the now expired Travelers surety bond, values for the appropriate RO ID and IC ID numbers (NR 128) must be entered/maintained on the Claim Master Screen.

The Responsible Operator section in BSRP has updated (and will continue to update) the CAPS ROIC Policy Screens with the following information for any operator for whom the Travelers surety bond is/had been identified as the applicable guarantor of an operator's self insurance coverage:

"This bond is null and void as a result of the Travelers' Casualty and Surety Co. settlement with the SOL in 2012. Any claims associated with the bond period for <name of RO> would be BL Trust Fund payable."

Any claims associated with the following RO IDs for which commercial coverage cannot be found should be converted to BL Trust Fund claims. The IC ID is NR 128 for Great Western Resources.

- 0004890 JOHNS CREEK ELKHORN COAL CORP
- 0039430 HARLAN FUEL COMPANY INC
- 0114892 CROCKETT COLLIERIES INC
- 0114893 NEW HORIZONS LAND MANAGEMENT
- 0114894 NEW HORIZONS COAL INC
- 0114890 BOW VALLEY COAL RESOURCES INC
- 0114891 GREAT WESTERN RESOURCES

As the National Office/BSRP identifies claims potentially impacted by this settlement, BSRP will notify claims personnel and provide listings of claims to be reviewed for potential conversion from interim pay to Trust Fund status.

Disposition: Retain this Bulletin until further notice or its incorporation into the Black Lung Coal Mine Procedure Manual (BLBA).



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