



Key Takeaways

- Remember the Three-Step Process
- Use Your Resources
- Use Detailed Explanations

Chapter 1: Understanding Validation Edits

What Are Validation Edits?

- Validation edits are intended to further improve the quality of data used in state loss cost and rate filings as well as in the production of experience ratings
- Each validation edit is assigned a Type Code, a unique identifier that leads with a letter:
 - “E” for exposure validation edits (e.g., E133)
 - “L” for loss validation edits (e.g., L108)
 - “C” for combined edits (e.g., C821)
 - “A” for all header validation edits
- Each validation edit is assigned a Data Grade 2 (Suspect)

Validation Edit Types

- Submission
 - Automatically identifies suspect data upon receipt
- Post-Submission
 - NCCI validators identify suspect data while reviewing Unit Data that has already been received

Identifying Validation Edits

Use these reports to find and manage your validation edits.

Report or Alert	Submission	Post-Submission
Unit Submission Results Report	✓	
Unit Daily Submission Results Report	✓	
Outstanding Suspect Conditions Report	✓	✓
Rejected Suspect Condition Explanations	✓	✓
Post-Submission Suspect Conditions Report		✓

- You can find the Unit Submission Results Report and the Unit Daily Submission Results Report in the **Unit Data Collection (UDC)** tool
- NCCI sends the Outstanding Suspect Conditions Report and Rejected Suspect Condition Explanations by email to the unit contact every Friday morning
- NCCI sends the Post-Submission Suspect Conditions Report out nightly when new edits are created



Data Now Program (DNP) Addressing Unit Validation Edits

Where to Address Validation Edits

Use the Validation search screen in the **UDC** tool to identify, review, and resolve validation edits.

The screenshot shows the Unit Data Collection (UDC) interface. At the top, there is a search bar with the placeholder "Search ncci.com" and a magnifying glass icon. Below the search bar are links for "Contact Us", "Log Out", and "My Profile". The main navigation bar includes "Manage My Data", "Tools and Information", and "About". The current page is titled "Validation". The validation search form contains the following fields:

Type Code	Condition Status	Claim Nbr	Pol Nbr
All Types	OPEN and REJECTED	Equals <input type="text"/>	Equals <input type="text"/>
Pol Eff	State	Carrier	Risk ID
mm/dd/yyyy <input type="button" value="Calendar"/>	All States	All My Carriers	<input type="text"/>
Condition Created From	Condition Created To	Due	Validation Category
mm/dd/yyyy <input type="button" value="Calendar"/>	mm/dd/yyyy <input type="button" value="Calendar"/>	mm/dd/yyyy <input type="button" value="Calendar"/>	All Categories

At the bottom of the search form are "Search" and "Clear Search" buttons.



Chapter 2: 3-Step Process to Address Unit Validation Edits

Identify Your Validation Edits

- Use the Validation Search in **UDC** as your starting point
- Use these key fields to prioritize your edits:
 - Condition Status
 - Due Date

Research Validation Edits

- Select the Details option via the Validation Search in **UDC**
- Review the suspect data on the unit to determine if it needs a correction

Resolve Validation Edits

Resolve the edit by:

- Correcting the data, or
- Providing a detailed explanation using the Explanation Journal option

Validation Submission Edit Workflow

1. Identify—You can use any of these options to identify the edits
 - a. Data Reports
 - b. **UDC** Validation screen
 - c. **Data Manager Dashboard**
2. Research—Follow these steps to determine the cause of the issue
 - a. Review your source system to verify that the data is accurate
 - b. For edits that look across multiple report levels, view the history of the claim in **UDC** to see what changed
 - c. Refer to the **Statistical Plan** and **Unit Statistical Reporting Guidebook** for clarification and examples of the reporting rules
 - d. Check the Edit and Validation Matrix for additional information pertaining to the edit
3. Resolve—Resolve the edit using the applicable option
 - a. Correct inaccurate data at the appropriate report levels; you can use **UDC** or **Data Transfer via the Internet (DTVI)**
 - b. Respond with a detailed explanation on the **UDC** Validation screen if the data is correct

Notes:

- You may need to provide both corrections and a detailed explanation. In these circumstances, submit the corrections first and then add explanations.
- Research a unit again if your validator requests additional information.



Data Now Program (DNP) Addressing Unit Validation Edits

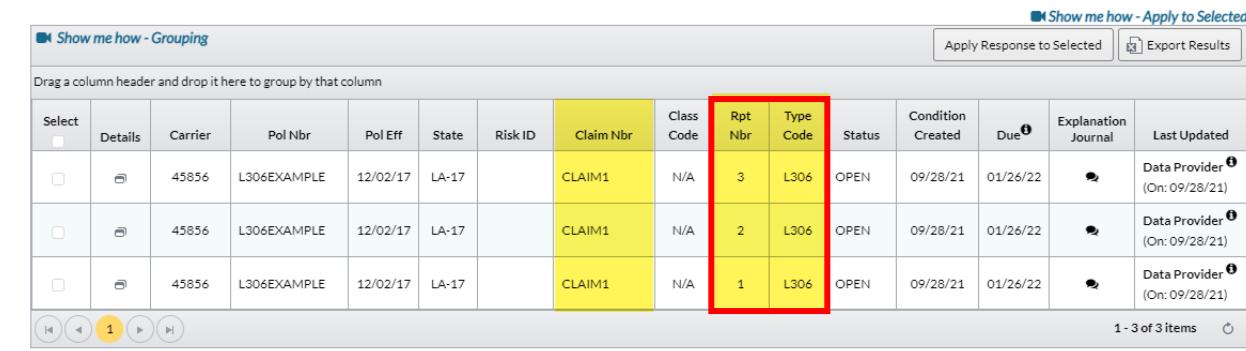
Chapter 3: Validation Edit L306

Edit Message

Suspect Indemnity Development and Injury Type Coding From Permanent Partial to Temporary Total Disability

Identify

- Identify the edit using the Validation screen in **UDC**

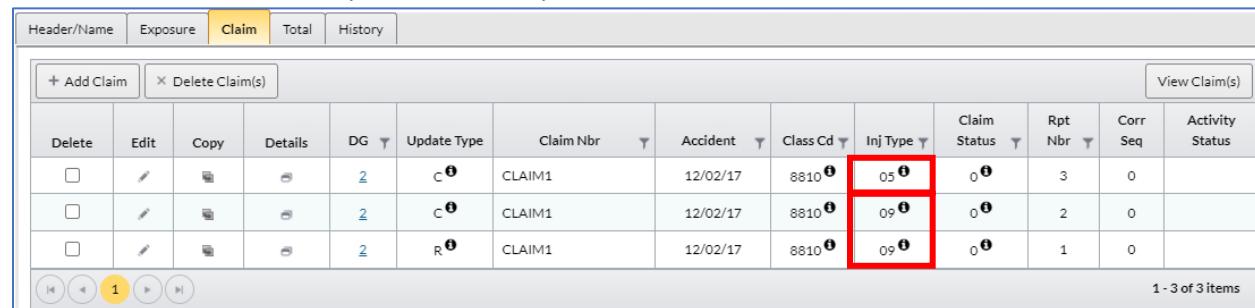


Show me how - Grouping												Show me how - Apply to Selected	Export Results		
Drag a column header and drop it here to group by that column												Apply Response to Selected			Export Results
Select	Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
<input type="checkbox"/>		45856	L306EXAMPLE	12/02/17	LA-17		CLAIM1	N/A	3	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)
<input type="checkbox"/>		45856	L306EXAMPLE	12/02/17	LA-17		CLAIM1	N/A	2	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)
<input type="checkbox"/>		45856	L306EXAMPLE	12/02/17	LA-17		CLAIM1	N/A	1	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)

- Note that the edit spans all report levels

Research

- Find the claim in **UDC**
- Look at the claim development and verify



Header/Name Exposure Claim Total History														
+ Add Claim × Delete Claim(s) View Claim(s)														
Delete	Edit	Copy	Details	DG	Update Type	Claim Nbr	Accident	Class Cd	Inj Type	Claim Status	Rpt Nbr	Corr Seq	Activity Status	
<input type="checkbox"/>					C	CLAIM1	12/02/17	8810	05	0	3	0		
<input type="checkbox"/>					C	CLAIM1	12/02/17	8810	09	0	2	0		
<input type="checkbox"/>					R	CLAIM1	12/02/17	8810	09	0	1	0		

- Injury Type 09 (Permanent Partial) reported at 1st and 2nd level
 - Injury Type 05 (Temporary Total or Temporary Partial) reported at 3rd report
- Additional research in the source system determines:
 - Permanent partial disability reserves set up initially for possible surgery
 - Claimant opted for physical therapy and no longer required surgery
 - Later, claimant opted out of surgery, and injury was determined to be less severe than anticipated
- Determination—The loss development is correct as reported



Data Now Program (DNP) Addressing Unit Validation Edits

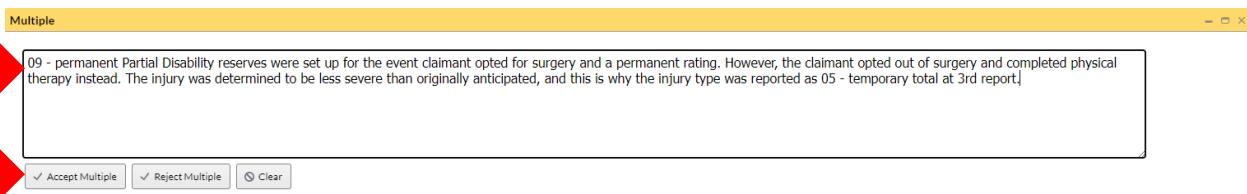
Resolve

- Add a detailed explanation and copy for all report levels
- First, find your unit by searching for Condition Status “Open and Rejected”
- Next, search for and select L306 in the Type Code drop-down menu



Show me how - Grouping															
Drag a column header and drop it here to group by that column															
Select	Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
<input checked="" type="checkbox"/>		45856	L306EXAMPLE	12/03/17	LA-17		CLAIM1	N/A	3	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)
<input checked="" type="checkbox"/>		45856	L306EXAMPLE	12/03/17	LA-17		CLAIM1	N/A	2	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)
<input checked="" type="checkbox"/>		45856	L306EXAMPLE	12/03/17	LA-17		CLAIM1	N/A	1	L306	OPEN	09/28/21	01/26/22		Data Provider (On: 09/28/21)

1. Select all three report levels the edit is open on
2. Click Apply Response to Selected

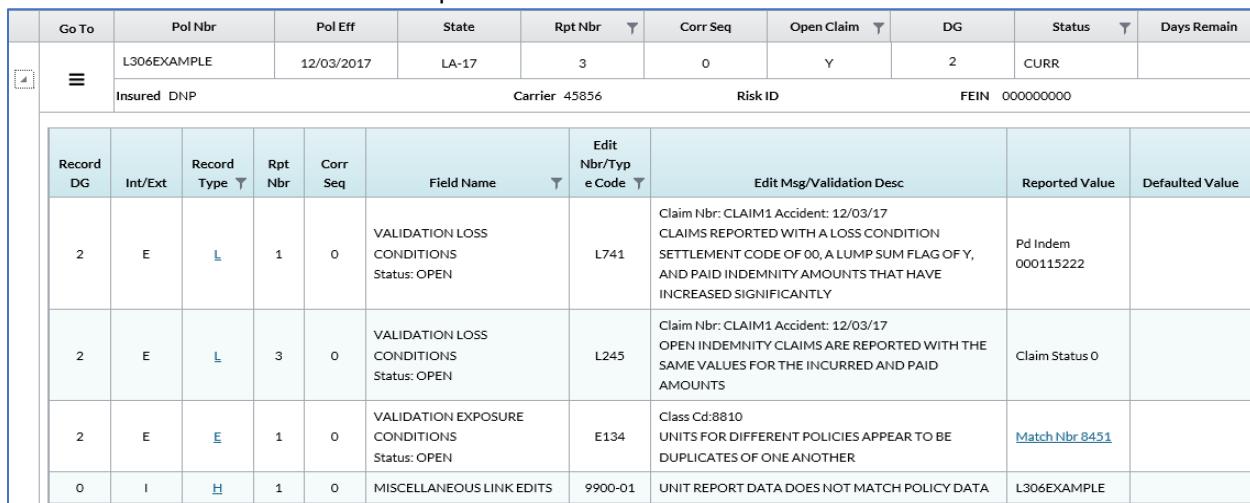


09 - permanent Partial Disability reserves were set up for the event claimant opted for surgery and a permanent rating. However, the claimant opted out of surgery and completed physical therapy instead. The injury was determined to be less severe than originally anticipated, and this is why the injury type was reported as 05 - temporary total at 3rd report.

Accept Multiple Reject Multiple Clear

3. Enter your detailed explanation
4. Click the Save Multiple button

- The NCCI validator will either accept or reject the explanation
 - In this scenario, the validator accepts the detailed explanation
 - The edit is resolved for all report levels



Go To	Pol Nbr	Pol Eff	State	Rpt Nbr	Corr Seq	Open Claim	DG	Status	Days Remain	
	L306EXAMPLE	12/03/2017	LA-17	3	0	Y	2	CURR		
Insured DNP Carrier 45856 Risk ID FEIN 000000000										
Record DG	Int/Ext	Record Type	Rpt Nbr	Corr Seq	Field Name	Edit Nbr/Type Code	Edit Msg/Validation Desc			
2	E		1	0	VALIDATION LOSS CONDITIONS Status: OPEN	L741	Claim Nbr: CLAIM1 Accident: 12/03/17 CLAIMS REPORTED WITH A LOSS CONDITION SETTLEMENT CODE OF 00, A LUMP SUM FLAG OF Y, AND PAID INDEMNITY AMOUNTS THAT HAVE INCREASED SIGNIFICANTLY			Pd Indem 000115222
2	E		3	0	VALIDATION LOSS CONDITIONS Status: OPEN	L245	Claim Nbr: CLAIM1 Accident: 12/03/17 OPEN INDEMNITY CLAIMS ARE REPORTED WITH THE SAME VALUES FOR THE INCURRED AND PAID AMOUNTS			Claim Status 0
2	E		1	0	VALIDATION EXPOSURE CONDITIONS Status: OPEN	E134	Class Cd:8810 UNITS FOR DIFFERENT POLICIES APPEAR TO BE DUPLICATES OF ONE ANOTHER			<u>Match Nbr 8451</u>
0	I		1	0	MISCELLANEOUS LINK EDITS	9900-01	UNIT REPORT DATA DOES NOT MATCH POLICY DATA			L306EXAMPLE

- Note that Edit L306 has been removed from the view since the edit was accepted
- It will show as Accepted in the Validation screen



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 4: Validation Edit L804

Edit Message

Part of Body Coding Is Inconsistent Across Report Levels

Identify

- Identify the edit using the Validation screen in **UDC**
- Click the Details button to view the Claim details for more information

All Claim(s) View																			
Update Type	Claim Nbr	Accident	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Cat Nbr	Claim DG	Incur Indem	Pd Indem	Incur Med	Pd Med	Incur ALAE	Pd ALAE	Clmnt Atty Fees	Emplr Atty Fees		
	Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body Part	Nature of Inj	Inj Cause	Voc Rehab	Lump Sum Ind	Occupation Desc	Claim Count	Fraud Ind	MCO Type	Ded Reimburse			
R	CLAIM1	01/01/20	3	0	8831	0	05	0	2	110,000	0	10,000	0	0	0	0	0		
	00		01	01	01	01	10	10	10	N	N	DOING STUFF	1	00	00	0			
R	CLAIM1	01/01/20	2	0	8831	0	05	0	2	110,000	0	10,000	0	0	0	0	0		
	00		01	01	01	01	13	1	10	N	N	DOING STUFF	1	00	00	0			
R	CLAIM1	01/01/20	1	0	8831	0	05	0	2	110,000	0	10,000	0	0	0	0	0		
	00		01	01	01	01	10	10	10	N	N	DOING STUFF	1	00	00	0			

- A different Part of Body Code was used at 2nd report
- Note that the edit was flagged on three report levels

Research

- Which Part of Body is correct? Check source system for accuracy.
- Assume that the correct Part of Body Code is 10. Which report level needs to be changed?
[Enter answer here]

Resolve

- Submit correction—Change Part of Body from 13 to 10
- Example: Revising the code in **UDC**

Injury Description Codes

Change to 10	Body Part 13	Nature of Inj 01	Inj Cause 01
---------------------	------------------------	----------------------------	------------------------



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 5: Validation Edit L183

Edit Message

Suspect Maximum Aggregates/Large Losses

Identify

- Identify the edit using the Validation screen in **UDC**
- Check the journal for more details as to what the L183 is asking to verify and/or correct

Explanations History										User						
Copy	Condition Status	Rpt Nbr	Corr Seq	Date	Explanations											
	OPEN	3	0	11/6/2023 12:45:22 PM	TWO ISSUES: 1) INCURRED INDEMNITY HAS SIGNIFICANTLY INCREASED BETWEEN REPORTING PERIODS. 2) CLAIM HAS INJURY TYPE THAT APPEARS INCONSISTENT WITH THE INCREASED INCURRED INDEMNITY AMOUNTS REPORTED. PLEASE PROVIDE A DETAILED EXPLANATION TO SUPPORT THE CLAIM INFORMATION OR SUBMIT CORRECTIONS TO ENSURE ACCURATE REPORTING AT ALL REPORT LEVELS.											
NCCI																
10 items per page																

- Click the Details button to view the Claim details for more information

Research

Look at the claim development in **UDC** and verify:

All Claim(s) View																		
Update Type	Claim Nbr	Accident	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Body	Br	PG	Incur Indem	Pd Indem	Incur Med	Pd Med	Incur ALAE	Pd ALAE	Clinmt Atty Fees	Emplir Atty Fees
	Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body	Br	PG	Incur Indem	Pd Indem	Incur Med	Pd Med	Incur ALAE	Pd ALAE	Clinmt Atty Fees	Emplir Atty Fees	
R	CLAIM1	01/01/18	3	0	5551	0	05	0	2	750,000	150,000	110,000	90,000	40,000	25,000	0	0	
00			01	01	01	01	18	10	25	N	N	DOING STUFF	1	00	00	0		
R	CLAIM1	01/01/18	2	0	5551	0	05	0	0	150,000	100,000	110,000	80,000	40,000	25,000	0	0	
00			01	01	01	01	18	10	25	N	N	DOING STUFF	1	00	00	0		
R	CLAIM1	01/01/18	1	0	5551	0	05	0	0	150,000	90,000	110,000	70,000	30,000	25,000	0	0	
00			01	01	01	01	18	10	25	N	N	DOING STUFF	1	00	00	0		

- Incurred indemnity significantly increased at 3rd report
- The injury type 05 temporary total appears unusual vs. 750K incurred indemnity

Resolve

- Corrected the injury type at 3rd report after reviewing source system

Claim Information		Update Type		Claim Nbr		Accident		Class Cd		Rpt Nbr	
1	Inj Type	02	Q	CLAIM1		01/01/18		5551	Q	3	Jur St
	Fraud Ind	00	Q	Claim Status	0	Q	Claim Count	1	Q	Cat Nbr	0
	MCO Type	00	Q	Voc Rehab	N	Q	Lump Sum Ind	N	Q	Occupation Desc	DOING STUFF

- Provide a detailed verification for the increase in incurred indemnity in the Explanation Journal
- In this scenario, NCCI reviews and accepts the corrections and explanations



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 6: Validation Edit L108

Edit Message

Florida Claim Reported With Zero Claimant Attorney and/or Employer Attorney Fee Amounts

Identify

- Identify the edit using the Validation screen in **UDC**

The screenshot shows the UDC Validation screen. At the top, there are search filters for Type Code (All Types), Condition Status (OPEN and REJECTED, highlighted with a red box), Claim Nbr (Equals, empty), Pol Nbr (Starts With L108), and Risk ID (empty). Below the filters are fields for Pol Eff (mm/dd/yyyy), State (All States), Condition Created From (mm/dd/yyyy), Condition Created To (mm/dd/yyyy), Due (mm/dd/yyyy), and Validation Category (All Categories). At the bottom of the search area are 'Search' and 'Clear Search' buttons, with 'Search' highlighted with a red box. Below the search area is a table titled 'Show me how - Grouping' with a 'Export Results' button. The table has columns: Details, Carrier, Pol Nbr, Pol Eff, State, Risk ID, Claim Nbr, Class Code, Rpt Nbr, Type Code, Status, Condition Created, Due, Explanation Journal, and Last Updated. A red arrow points to the 'Risk ID' column for the row where Risk ID 1 is listed. The table shows one item: CLAIM1. The 'Last Updated' column indicates the data is from 09/12/24. At the bottom of the table are navigation buttons and a message '1 - 1 of 1 items'.

- Edit flagged on CLAIM1 1st report

Research

- Determine if the claim has attorney involvement
- If so, report incurred and paid amounts under the Claimant Attorney Fee field or Employer Attorney Fee field or both

The screenshot shows the 'All Claim(s) View' table. The columns are: Update Type, Claim Nbr, Accident, Rpt Nbr, Corr Seq, Class Code, Claim Status, Inj Type, Cat Nbr, Claim DG, Incur Indem, Pd Indem, Incur Med, Pd Med, Incur ALAE, Pd ALAE, Clmt Atty Fees, and Empir Atty Fees. The table has two rows. The first row is a header with a light blue background. The second row contains data for Risk ID 1, CLAIM1. The 'Incur ALAE' and 'Pd ALAE' columns for this row are highlighted with a red box. The 'Empir Atty Fees' column for this row is also highlighted with a light blue box.

Resolve

Assume that the claims department verifies that there are employer attorney fees associated with this claim that were included in the ALAE amounts reported.

In this case, submit corrections to add the attorney fees in the appropriate field. This action will clear the edit.



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 7: Validation Edit L253

Edit Message

Claims With the Same Accident Date Are Not Reported With a Catastrophe Number

Identify

- Identify the edit using the Validation screen in **UDC**



Show me how - Grouping													Export Results	
Drag a column header and drop it here to group by that column														
Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
45856	L253EXAMPLEK10	01/01/20	AL-01			CLAIM4	N/A	1	L253	OPEN	08/28/23	12/26/23	•	Data Provider (On: 08/28/23)
45856	L253EXAMPLEK10	01/01/20	AL-01			CLAIM5	N/A	1	L253	OPEN	08/28/23	12/26/23	•	Data Provider (On: 08/28/23)
45856	L253EXAMPLEK10	01/01/20	AL-01			CLAIM6	N/A	1	L253	OPEN	08/28/23	12/26/23	•	Data Provider (On: 08/28/23)

- Edit flagged on CLAIM4, CLAIM5, and CLAIM6

Research

Keep the catastrophe reporting rules in mind:

- A catastrophe is an accident resulting in two or more reportable claims
- Report with Catastrophe Numbers 01 to 10
- Increase the Catastrophe Number by 1 for each new catastrophe

Look closer at the data:

- Three claims have the same Accident Date and no Catastrophe Number

Claim Nbr	Accident Date	Catastrophe Nbr
CLAIM4	02/01/08	0
CLAIM5	02/01/08	0
CLAIM6	02/01/08	0

- Check source system to determine if these claims should be a catastrophe

Resolve

Possible actions:

If	Then
Claims are from one catastrophe	[Enter action to take]
Accident Dates are incorrect	[Enter action to take]
Claims are not a catastrophe and Accident Dates are correct	[Enter action to take]



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 8: Validation Edit E133

Edit Message

Matching Exposure Amounts Are Reported in Uneven Experience Modification and/or Rate Effective Periods

Identify

- Identify the edit using the Validation screen in **UDC**

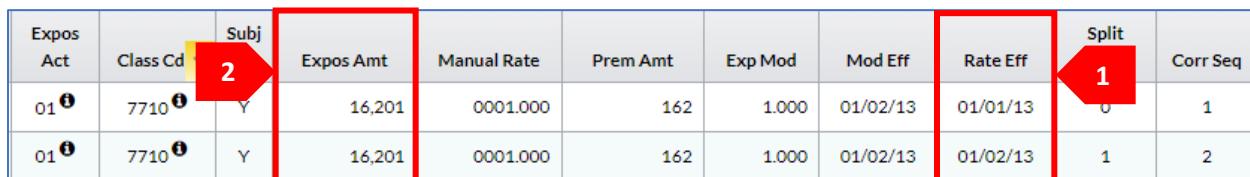


Show me how - Grouping													Export Results	
Drag a column header and drop it here to group by that column														
Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
99990	CLNDNPE133002	01/01/13	AL-01		N/A		7710	1	E133	OPEN	10/14/22	12/31/22		Data Provider (On: 10/14/22)
99990	CLNDNPE133002	01/01/13	AL-01		N/A		7710	1	E133	OPEN	10/14/22	12/31/22		Data Provider (On: 10/14/22)

- Edit flagged on Class Code 7710

Research

Look closer at the data:



Expos Act	Class Cd	Subj	Expos Amt	Manual Rate	Prem Amt	Exp Mod	Mod Eff	Rate Eff	Split	Corr Seq
01	7710	Y	16,201	0001.000	162	1.000	01/02/13	01/01/13	0	1
01	7710	Y	16,201	0001.000	162	1.000	01/02/13	01/02/13	1	2

- Two different Rate Effective Date periods
 - From 01/01/2013 to 01/02/2013
 - From 01/02/2013 to 01/01/2014
- Exposure Amounts are the same

Check the source system to determine the correct Rate Effective Date and Exposure Amounts.

Resolve

Possible actions:

If	Then
A Rate Effective Date is incorrect	[Enter action to take]
An Exposure Amount is incorrect	[Enter action to take]
The Rate Effective Dates and Exposure Amounts are correct	[Enter action to take]



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 9: Validation Edit C821

Edit Message

Suspect Exposure and/or Claim Counts in Reported Classification Code – State

Identify

- Identify the edit using the Validation screen in **UDC**
- Click the Details button to view the Claim details for more information

■ Show me how - Grouping Export Results

Drag a column header and drop it here to group by that column

Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
	45856	C821EXAMPLE21A1	01/01/21	AL-01		N/A	2095	1	C821	OPEN	11/22/23	02/20/24		NCCI (On: 11/22/23)
	45856	C821EXAMPLE21A1	01/01/21	AL-01		N/A	8810	1	C821	OPEN	11/22/23	02/20/24		NCCI (On: 11/22/23)

1 1 - 2 of 2 items

- Edit flagged on Class Codes 2095 and 8810

Research

- Look deeper into what the C821 is referring to by visiting the Validation Tab on the unit

Header/Name Exposure Claim Total History Validation Export Results

C821

- Condition Created »Collapse All

Carrier	Pol Nbr	Pol Eff	Class Code	Expos Amt	Premium Amt	Indem Claim Count	Med Claim Count	NCCI Comments			Status	Due	Explanation Journal
Condition Created: 11/22/23 Status: OPEN													
45856	C821EXAMPLE21A1	01/01/21	2095	66,473,113	1,661,828	2	2	TWO ISSUES: 1) THE AMOUNT OF PAYROLL REPORTED IN CC2095 HAS SIGNIFICANTLY INCREASED FROM THE 2020 TO 2021 POLICIES. 2) THE NUMBER OF CLAIMS REPORTED IN CC2095 APPEAR LOW, GIVEN THE AMOUNT OF PAYROLL.			OPEN	02/20/24	
45856	C821EXAMPLE21A1	01/01/21	8810	12,969,167	12,969	22	8	THE NUMBER OF CLAIMS REPORTED IN CC8810 APPEAR HIGH, GIVEN THE AMOUNT OF PAYROLL, FOR THE 2021 POLICY. PLEASE PROVIDE A DETAILED EXPLANATION FOR THE IDENTIFIED SUSPECT REPORTING ON THE 2021 POLICY, OR			OPEN	02/20/24	
45856	C821EXAMPLE20A1	01/01/20	2095	49,281,785	1,232,045	16	4	Informational Only					
45856	C821EXAMPLE20A1	01/01/20	8810	13,186,803	13,189	0	2	Informational Only					
45856	C821EXAMPLE19A1	01/01/19	2095	46,497,123	1,162,428	12	2	Informational Only					
45856	C821EXAMPLE19A1	01/01/19	8810	12,383,225	12,383	0	1	Informational Only					

1 1 - 6 of 6 items

- In this scenario, check the source system or check with the carrier's audit department to verify payroll and claims reporting



Data Now Program (DNP) Addressing Unit Validation Edits

Resolve

1. Reclassify the claims classified to CC8810 incorrectly

													View Claim(s)
Delete	Edit	Details	DG	Update Type	Claim Nbr	Accident	Class Cd	Inj Type	Claim Status	Rpt Nbr	Corr Seq	Activity Status	
<input type="checkbox"/>			0	R	CLAIM1	06/10/21	2095	05	1	1	0		
<input type="checkbox"/>			0	R	CLAIM2	11/24/21	2095	06	1	1	0		
<input type="checkbox"/>			0	R	CLAIM3	09/10/21	2095	05	1	1	0		
<input type="checkbox"/>			0	R	CLAIM4	06/08/21	2095	06	1	1	0		
<input type="checkbox"/>			0	R	CLAIM5	02/25/21	8810	1	1	1	0		
<input type="checkbox"/>			0	R	CLAIM6	06/23/21	8810	06	1	1	0		
<input type="checkbox"/>			0	R	CLAIM7	11/02/21	8810	06	1	1	0		
<input type="checkbox"/>			0	R	CLAIM8	03/15/21	8810	05	1	1	0		
<input type="checkbox"/>			0	R	CLAIM9	04/20/21	8810	06	1	1	0		
<input type="checkbox"/>			0	R	CLAIM10	08/19/21	8810	06	1	1	0		

2. Provide a detailed verification for the payroll increase after corrections are submitted:

The payroll increase reported in CC2095 was on an account of an acquisition in 2021. The acquisition added more payroll in CC2095 in particular.

2

Save Explanation

Explanations History							Show me how - Copy
Copy	Condition Status	Rpt Nbr	Corr Seq	Date	Explanations		User
	OPEN	1	0	11/22/2023 11:30:45 AM	TWO ISSUES: 1) THE AMOUNT OF PAYROLL REPORTED IN CC2095 HAS SIGNIFICANTLY INCREASED FROM THE 2020 TO 2021 POLICIES. 2) THE NUMBER OF CLAIMS REPORTED IN CC2095 APPEAR LOW, GIVEN THE AMOUNT OF PAYROLL FOR THE 2021 POLICY. PLEASE PROVIDE A DETAILED EXPLANATION FOR THE IDENTIFIED SUSPECT REPORTING ON THE 2021 POLICY, OR SUBMIT CORRECTIONS.		NCCI
1 items per page							



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 10: Validation Edit L331/L333

Edit Message

Claim Is Reported With Type of Recovery Code 02, 03, or 04 and Net Incurred Loss Is Lower Than the Gross Incurred Losses in Prior Report Levels With Type of Recovery Code 01

Identify

- Identify the edit using the Validation screen in **UDC**

Show me how - Grouping													Export Results	
Drag a column header and drop it here to group by that column														
Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
45856	L331EXAMPLEA0	01/01/20	CO-05			CLAIM1	N/A	3	L331	OPEN	10/24/23	02/21/24	Data Provider (On: 10/24/23)	
45856	L331EXAMPLEA0	01/01/20	CO-05			CLAIM1	N/A	2	L331	OPEN	10/24/23	02/21/24	Data Provider (On: 10/24/23)	
45856	L331EXAMPLEA0	01/01/20	CO-05			CLAIM1	N/A	1	L331	OPEN	10/24/23	02/21/24	Data Provider (On: 10/24/23)	

- Edit flagged for CLAIM1 on report levels 1 to 3

Research

Look closer at the data.

Claim Nbr	Accident	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Cat Nbr	Claim DG	Incur Indem	Pd Indem	Incur Med	Pd Med
Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body Part	Nature of Inj	Inj Cause	Voc Rehab	Lump Sum Ind	Occupation Desc	Claim Count
CLAIM1	01/01/20	3	1	8831	1	05	0	2	5,000	5,000	10,000	10,000
00		01	2	03	01	10	10	10	N	N	DOING STUFF	1
CLAIM1	01/01/20	2	0	8831	0	05	0	2	20,000	15,000	20,000	10,000
00		01	01	01	01	10	10	10	N	N	DOING STUFF	1
CLAIM1	01/01/20	1	0	8831	0	05	0	2	20,000	10,000	20,000	5,000
00		01	01	01	01	10	10	10	N	N	DOING STUFF	1

Notice that at 3rd report level:

- Gross incurred losses are lower, and
- There is a Recovery Type Code

We will need to check with the carrier's claims department to determine if the recovery is accurate.



Data Now Program (DNP) Addressing Unit Validation Edits

Resolve

Assume that the claims department verifies that the recovery is correct. We need to submit corrections to the 1st and 2nd reports to:

1. Reduce the incurred and paid losses to their appropriate values, and
2. Add Recovery Code 03

Claim Nbr	Accident	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Cat Nbr	Claim DG	Incur Indem	Pd Indem	Incur Med	Pd Med
Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body Part	Nature of Inj	Inj Cause	Voc Rehab	Lump Sum Ind	Occupation Desc	Claim Count
CLAIM1	01/01/20	3	1	8831	1	05	0	0	5,000	5,000	10,000	10,000
00		01	01	03	01	10	10	10	N	N	DOING STUFF	1
CLAIM1	01/01/20	2	1	8831	0	05	0	0	5,000	5,000	10,000	10,000
00		01	2	03	01	10	10	10	N	N	DOING STUFF	1
CLAIM1	01/01/20	1	1	8831	0	05	0	0	5,000	5,000	10,000	5,000
00		01	2	03	01	10	10	10	N	N	DOING STUFF	1

Circular Information for the L331

To find more information on this edit, please refer to Circular FYI-DQ-2023-01.

Highlights of this circular include:

- Implementation of new Unit Statistical validation edit—L331
- Plans for:
 - Evaluating previously reported data affected by L331
 - Data Grade changes for edits 0115-04 and 0115-05
 - Q2 2024 Data Grade changes for L331
- Resources for reporting subrogation recoveries and special fund reimbursements

Reporting Rules and Additional Resources for Subrogation Reporting

For complete NCCI **Statistical Plan** rules, refer to:

- Part 4-A-1-a—Subrogation
- Part 4-A-1-b—Assessments and Special Funds
- State exceptions to above listed parts

For additional details, refer to the **Unit Statistical Reporting Guidebook** and review:

- Part 5—Loss and Expense Information and Examples of reporting subrogation recovery claims
- Part 12—Edit and Validation Matrices for details of the upcoming edit changes outlined in the **Unit Statistical Reporting Guidebook**



Data Now Program (DNP) Addressing Unit Validation Edits

Chapter 11: Validation Edit L332

Edit Message

Type of recovery code change is inconsistent across report levels.

Identify

- Identify the edit using the Validation screen in **UDC**

Show me how - Grouping													Apply Response to Selected	Export Results	
Drag a column header and drop it here to group by that column															
Select	Details	Carrier	Pol Nbr	Pol Eff	State	Risk ID	Claim Nbr	Class Code	Rpt Nbr	Type Code	Status	Condition Created	Due	Explanation Journal	Last Updated
<input type="checkbox"/>	<input type="checkbox"/>	45856	L332EXAMPLEC1	01/01/20	AL-01		CLAIM1	N/A	2	L332	OPEN	09/12/24	12/31/24		Data Provider (On: 09/12/24)
<input type="checkbox"/>	<input type="checkbox"/>	45856	L332EXAMPLEC1	01/01/20	AL-01		CLAIM1	N/A	1	L332	OPEN	09/12/24	12/31/24		Data Provider (On: 09/12/24)

- Edit flagged for CLAIM1 on report levels 1 and 2

Research

- Determine if the claim had recovery
- If so, determine the timing of the recovery and apply reporting rules outlined in the **Statistical Plan**

Claim Nbr	Acci...	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Cat Nbr	Claim DG	Incur Indem	Pd Indem	Incur Med	Pd Med	
Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body Part	Nature of Inj	Inj Cause	Voc Rehab	Lump Sum Ind	Occupation Desc	Claim Count	
CLAIM1	01/18/20	2	0	8810	0	05	0	2	50,10 1	20,00 0	22,000	22,00 0	
00		01	01	01	2	10	10	10	N	N	TESTER	1	
CLAIM1	01/18/20	1	1	8810	0	05	0	2	50,10 1	10,00 0	22,000	10,00 0	
00		01	01	03	1	10	10	10	N	N	TESTER	1	

- Recovery Type Code is 03 at 1st report
- Recovery Type Code is 01 at 2nd report

Check with the carrier's claims department to determine if a recovery was received for this claim.



Data Now Program (DNP) Addressing Unit Validation Edits

Resolve

Assume that the claims department verifies that there is no recovery associated with this claim. Submit corrections to the 1st report to remove the recovery code.

Claim Nbr	Accident	Rpt Nbr	Corr Seq	Class Code	Claim Status	Inj Type	Cat Nbr	Claim DG	Incur Indem	Pd Indem	Incur Med	Pd Med
Settlement Type	Jur St	Act Code	Loss Type	Recovery Type	Claim Type	Body Part	Nature of Inj	Inj Cause	Voc Rehab	Lump Sum Ind	Occupation Desc	Claim Count
CLAIM1 2 00	01/18/20	2	0	8810	0	05	0	0	50,101	20,000	22,000	22,000
CLAIM1 00	01/18/20	1	2	8810	0	05	0	0	50,101	10,000	22,000	10,000

1. The correction changes the Type of Recovery Code to 01. This change clears the edit.

The NCCI content in the presentations and related materials is provided solely as a reference tool for informational purposes only. NCCI expressly disclaims any and all warranties of any kind as to the presentations and materials, with such being provided "AS IS." Any data shown in the presentation or materials is for demonstration purposes only and does not reflect actual data in a tool.