



The Data Connection

July 2017 | 19th Edition

Welcome to **The Data Connection**, an NCCI communication series that keeps you informed on important data reporting news, data quality updates, data reporting enhancements, recent communications, and more. **The Data Connection** is released twice a year and features key information to help you perform your data reporting activities.

Look for more information on these topics on ncci.com.



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This edition of **The Data Connection** features a variety of topics and articles including a special feature recapping the 2017 **Data Educational Program**.



Medical Data Call—Future Implementation of Texas

In the future, Texas will be added as a Medical Data Call state. As communicated in Circular MED-2017-02, this will apply to carrier groups that are current Medical Data Call participants and to Texas domestic carriers that meet the participation/eligibility requirements.

The Medical Data Call enables NCCI to respond to proposed state legislation and complete research studies. The addition of Texas will expand NCCI's capability in meeting these objectives.

Texas will be implemented on a staggered basis as follows:

- Current Medical Data Call participants will be required to begin reporting with medical transactions occurring in 3rd Quarter 2018 that are due by the end of 4th Quarter 2018
- New Texas domestic carriers will be required to begin reporting with medical transactions occurring in 4th Quarter 2019 that are due by the end of 1st Quarter 2020

After the initiation of Texas reporting, one additional year of lead time will be provided before the **Medical Incentive Program** will apply.

The addition of Texas to NCCI's Medical Data Call in no way affects the separate medical data reporting program that is administered by the Texas Department of Insurance (TDI). The TDI medical program continues to be required in accordance with their program rules.

NCCI Working With the Industry on Terrorism Data Reporting

NCCI continues to provide industry leadership in Terrorism data collection activities for the Federal Insurance Office (FIO) and the National Association of Insurance Commissioners (NAIC).

FIO Data Collection Provisions of Section 111 of the Terrorism Risk Insurance Program Reauthorization Act of 2015

NCCI coordinated with the independent state rating bureaus for all states except California to fulfill the obligations of participating carriers. The aggregated workers compensation data was based on Policy Year 2016, at the NAIC company/group level.

Learn more by reading [NCCI Circular FYI-DR-2017-01](#).

NAIC Data Call Related to Terrorism Risk Insurance Coverage

NCCI coordinated and facilitated the pass-through of Policy Year 2014 Unit Statistical aggregate workers compensation data for all NCCI states and independent state rating bureaus except California. This data was submitted to the NAIC by July 1, 2017.

Learn more by reading [NCCI Circular FYI-DR-2017-03](#).

Statistical Plan Enhancements—Item Filing U-1400

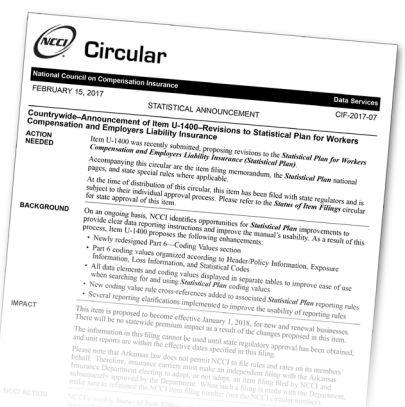
NCCI continually identifies opportunities for **Statistical Plan** improvements to provide clear data reporting instructions and improve the manual's usability. In January 2017, we filed Item U-1400, which proposed the following enhancements:

- Newly redesigned Part 6—Coding Values section
- All data elements and coding values displayed in separate tables to improve ease of use when searching for and using **Statistical Plan** coding values
- New coding value rule cross-references added to associated **Statistical Plan** reporting rules

The newly redesigned Part 6—Coding Values organizes data elements as follows:

- **Header/Policy Information**—Data elements that apply to Header/Policy information
- **Exposure Information**—Data elements that apply to exposure reporting
- **Loss Information**—Data elements that apply to loss reporting
- **Statistical Codes**—List of all statistical codes categorized based on the policy premium calculation:
 - Premium Amount Subject to Experience Rating
 - Premium Amount Not Subject to Experience Rating
 - Premium Amount Not Part of Standard Premium

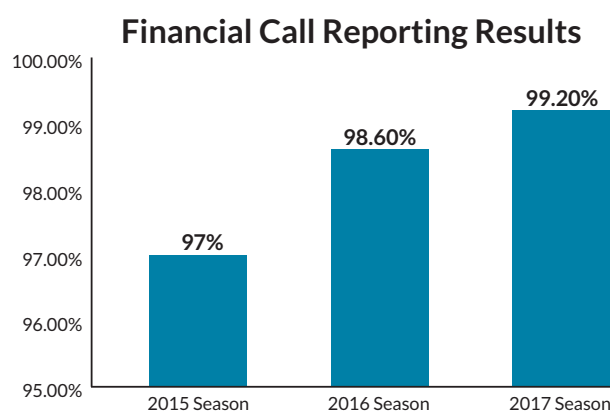
This item filing has been approved in 34 NCCI states. Our plan is to publish the **Statistical Plan** revisions in the 4th Quarter time frame.



2017 Financial Call Season Recap

The Financial Call reporting season results are in. NCCI received 99.2% of the expected Financial Call data on time. Over the past three years, expected Calls on time have gradually improved, as shown in the accompanying chart.

Receiving timely and quality Financial Call data is crucial to one of NCCI's core advisory roles—the development of state rate and loss cost filings.



2018 Financial Call Reporting Season Preview

For the 2018 Financial Call Reporting Season, there will be changes to select calls, **Aggregate Data Quality Incentive Program (ADQIP)**, reporting resources, and the **Financial Data Collection** tool.

Large Loss and Catastrophe Calls (#31 and #33)

Calls #31 and #33 will feature changes that were detailed in Circular CALLS-2017-01:

- Texas will be added as a required Call #31 state for the reporting of Large Loss and Catastrophe claims. Texas data must be reported at the carrier level, consistent with current Texas reporting requirements.
- Large deductible policies with large loss claims (\$500,000 and greater) will be included for all Call #31 states and for the Virginia Coal Mine Large Loss and Catastrophe Call (#33).
- In recognition of these Call reporting changes, **ADQIP** modifications will apply for the 2018 reporting season only.

Call #10—Schedule Rating and Other Prospective Premium Adjustments

As announced in Circular CALLS-TX-2017-01, Texas will be added as a new required state. Consistent with current Texas requirements, data will be required at the carrier level.

With this change, Call #10T (Texas Policy Year Call for Schedule Rating Modification) will continue to be required, without any reporting changes.

ADQIP—New Fin/Stat Comparisons

As announced in Circular DQ-2017-01, a new **ADQIP** category is being implemented for unresolved Financial Call data Full-Year (pre-season) to Unit Statistical data (Fin/Stat) comparison issues. NCCI first announced this to the industry in October 2016.

For the vast majority of data reporters, this new **ADQIP** assessment category will have no impact, as NCCI predominantly receives timely responses to our Fin/Stat comparison inquiries. The new assessment only applies for carriers with unresolved Fin/Stat Full-Year (pre-season) inquiries as of the cut-off date of February 15. The assessment will be \$2,000 per state with unresolved issues.

Gearing Up for 2018 Financial Call Reporting

NCCI is preparing for the 2018 reporting season in the following ways:

- 4th Quarter 2017—The **Financial Call Reporting Guidebook** and the **Data Quality Guidebook** will be updated
- January 2018—The **Financial Data Collection** tool will be updated and available for submitting Call data valued as of December 31, 2017

Celebrating 20 Years of Industry Education— NCCI's 2017 Data Educational Program


Approximately 350 participants attended this year's *Data Educational Program (DEP)*. With the highest attendance ever, the program was conducted at the Palm Beach County Convention Center from January 31 through February 3. It was also a celebration of *DEP's* longevity. This year marked the 20th anniversary of one of the workers compensation industry's most valuable data education programs.



1. The event theme was **Collaborating for Data Reporting Success**.
2. Bill Donnell, NCCI's president and chief executive officer, kicked off the event as the keynote speaker. He touched on the strengths of the workers compensation system, the impact on the system from technology disrupters, and the critical role data reporters play in the workers compensation industry.
3. *DEP* participants came from far and wide, representing 37 states across the nation.
4. Thirty-six different classes were provided, including one-hour and two-hour sessions and a variety of hands-on classes that provided interactive learning using laptop computers.
5. Throughout the event, "Ask NCCI" kiosks by data type were available and staffed by data specialists who answered questions and demonstrated data reporting tools and services.
6. The brand-new Hilton West Palm Beach Hotel was the host hotel, which was directly adjacent to the Convention Center and was also used for the reception event.



DEP was a great event and I learned so much! For me, some of the highlights were the quality of the instructors, the new adjacent hotel, and the excellent training materials.



I sincerely appreciate the efforts NCCI puts into making the **DEP** a wonderful experience to learn, grow, and network. This was my third year and I feel I gained just as much knowledge (if not more) as I did my first year. What a great event for carriers to attend!

7. Twenty years ago, the inaugural **DEP** attracted 30 attendees—less than 10% of the number that attended the 2017 event! The **DEP** has evolved over the years, growing in direct response to expanding data needs, technology advances, and an ever-changing workers compensation landscape.

This was my first time attending **DEP** and I was very pleased with the sessions and all the presenters were excellent. I also really liked the hands-on classes with laptops.

8. Participants in this year's event averaged approximately three years of data reporting experience.
9. A mobile app was provided, enabling participants to view their personalized agendas, stay connected with the latest **DEP** activities, and network with fellow attendees.
10. Certificates of Completion were given to all attendees, providing an affirmation of successful participation in this educational event.



Looking Ahead to 2018

The 2018 **DEP** will be held at the Palm Beach County Convention Center from January 30 through February 2. In the third quarter time frame we will announce additional details. We encourage you to consider joining us at next year's event!

Terrorism Premium—New 3-Decimal-Place Rate

In Circular FYI-DR-2017-02, NCCI announced a change to the Miscellaneous Values for Terrorism—a three-decimal-point rate for the Terrorism premium charge—which continues to be reported with Statistical Code 9740—Catastrophe Provisions for Terrorism. This change will be rolled out in each state’s annual loss cost filing effective October 1, 2017, and later. Rate and assigned risk rate states will continue to be provided as two decimal places.

The current *WCIO Manual* reporting standards and NCCI tools already accommodate a Manual Rate field large enough to accommodate a three-decimal-place rate for Terrorism premium.

For Policy and Unit reporting, Manual Rate is an optional reporting field. The following is an example of a Terrorism rate of 2.5 cents (\$0.025) as reported in the Manual Rate field:

- Policy—Exposure Record (Record Type 05) includes the Manual/Charged Rate in field positions 69–78 with an assumed decimal point between positions 74 and 75, allowing for four decimal places. The 2.5-cents rate would be reported as 0000000250.
- Unit Statistical—Exposure Record (Record Type 4) includes the Manual/Charged Rate in field positions 86–92 with an assumed decimal point between positions 89 and 90, allowing for three decimal places. The 2.5-cents rate would be reported as 0000025.

Data Reporting Learning Opportunities

Train at Your Own Pace—Upcoming Webinars

NCCI offers a series of Data Reporting webinars that provide a flexible learning plan, are easy to use, and allow you to learn at your own pace.

Our planned training schedule includes the following Webinars on Demand:*

Release Date	Webinar
1st Quarter	DCI Quality Observations Feature
2nd Quarter	Experience Rating (ER) Split Data
3rd Quarter	Inbound/Outbound File Tracking
4th Quarter	2018 Financial Call Season

Go to **Learning Center—Data Reporting** on ncci.com to view these webinars and more.

*Schedule is subject to change.

“In the Know”—Data Communications

In addition to the circulars highlighted in this edition of *The Data Connection*, NCCI released these key communications during the first half of 2017:

- Montana—Name and Address Record Reporting for Proof of Coverage (Circular FYI-POC-MT-2017-01)—Provided name and address reporting requirements for the Montana Department of Labor and Industry (DLI)
- Medical Data Call—New Code Values for Compound Drugs and Dispensary (Circular MED-2017-01)—Summarized two newly established code values for Paid Procedure Code (Compound Drugs) and Place of Service Code (Dispensary)
- POC—IAIABC POC 3.0 Format Update (Circular FYI-POC-2017-01)—Announced the addition of two new data elements to the IAIABC POC 3.0 format

ER Split Data Electronic Reporting Begins

Experience Rating (ER) Split Data is individual exposure and claim information needed for experience rating purposes for PEO master policies with multiple clients or for a policy with ownership changes.

In July 2017, NCCI implemented the new ER Split Data electronic reporting option. The reporting rules are provided in the *Experience Rating (ER) Split Data Reporting Guide* available in the Data Reporting section on ncci.com.

For additional information, refer to Circular [UNITS-2017-01](#).

DCI Reporting Guidebook Now Contains Part 10—DCI Quality Observations!

The *Detailed Claim Information Reporting Guidebook* was updated in 2nd Quarter 2017 and now includes the new DCI Quality Observations section. The new section provides details on the DCI Quality Observations feature available in the *DCI Data Collection* tool.

DCI Quality Observations provides carriers with information on the quality of data reported to NCCI. This process is a series of quality checks performed by NCCI that verify the reasonability and completeness of DCI data, enabling carriers to self-monitor the quality of reported data. The new feature allows carriers to identify outliers and to extract these outliers to determine whether the data was accurately reported.

For additional information, refer to Circular [DCI-2017-01](#).

Data Tip—Looking for Proof of Coverage (POC) Information?

NCCI is the *POC* service provider in 38 states.

The *POC State Guide* contains important POC information such as:

- State agency contact phone numbers and email addresses
- State POC filing requirements
- References to the states' rules and regulations
- POC reporting requirements and exceptions
- Links to the state workers compensation agency websites

The updated *POC State Guide* is available by state on ncci.com. An all-state reference chart is also available in a PDF format.



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