



## Key Takeaways

- The handling of Premium and Loss Components in Financial Data
- Claim Count Considerations
- Defense and Cost Containment Expense (DCCE) and Examples

## Financial Call Premium

### Three Categories of Earned Premium Defined

Net Premium	Company Standard	DSR Premium
Actual Earned Premium	Earned Premium using company's loss cost multipliers or rate deviations	NCCI loss costs or rates
Include most premium adjustments	Include individual risk experience modification	Exclude - Loss Cost Multiplier - Approved Deviation
Reconciles to NAIC Annual Statement	Exclude any other risk specific adjustments	Represents pure premium generated if coverage were written at an NCCI loss cost or rate levels

## Premium Components Summary Chart

- Located in Part 5 of *Financial Call Reporting Guidebook*
- Lists common and specific premium components
- Displays "X" when component is included in premium category: Net, Company Standard, and DSR
- Shades cells when component is not applicable in premium category

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
1. Assigned Risk Adjustment Program (ARAP) <sup>[1]</sup>	X	X	X		
2. Balance to Minimum Premium Adjustment <sup>[2,3]</sup>	X	X	X	X	
3. Catastrophe and Terrorism Provisions (e.g., DTEC, TRIA, TRIEA, TRIPRA)					
<i>Do Not Report</i>					
4. Company Loss Constant	X	X		X	
5. Consent to Rate	X	X		X	
6. Contracting Classification Premium Adjustment Program (CCPAP)	X	X	X	X	X
7. Deductible Coverage—Premium Credits	X				
8. Drug-Free Workplace Credits	X	X	X	X	X
9. <b>Expense Constants:</b> Company-Selected Expense Constant	X	X		X	
10. <b>Expense Constants:</b> NCCI-Published Expense Constant <sup>[4,5]</sup>	X	X	X		
11. <b>Experience Rating Modifications:</b> Deviations From NCCI-Promulgated Experience Rating Modification Factor	X				
12. <b>Experience Rating Modifications:</b> NCCI-Promulgated Experience Rating Modification	X	X	X	X	X
13. <b>Experience Rating Modifications:</b> Oregon Group Supplemental Experience Rating Plan (OGSERP)	X			X	X
14. Florida Excess Profits					
<i>Do Not Report</i>					
15a. Foreign Voluntary Compensation	X	X	X	X	X
15b. Foreign Voluntary Compensation—Optional Repatriation Coverage	X				
16. Georgia Work-Based Learning Program	X			X	X



### How to Use the Premium Components Summary Chart

- When DSR level is rates
- When DSR level is loss costs
- Determine pricing category for the state
  - Visit part 5-A of the Reporting Guidebook

Premium Components Summary Chart

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
1. Assigned Risk Adjustment Program (ARAP) <sup>[2]</sup>	X	X	X		
2. Balance to Minimum Premium Adjustment <sup>[2*]</sup>	X	X	X	X	
3. Catastrophe and Terrorism Provisions (e.g., DTEC, TRIA, TRIFA, TRIPRA)		Do Not Report			

### Premium Component Examples

Balance to Minimum Premium	Expense Constants
Independent Carrier Filings	Managed Care Program Credits
Schedule Rating	Consent to Rate

### Balance to Minimum Premium

- Included for all premium levels when DSR level is rates
- Exclude the adjustment for voluntary business in a loss cost state and in Texas for DSR Premium

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
2 Balance to Minimum Premium Adjustment <sup>[**]</sup>	X	X	X	X	

[\*\*] Do not include in DSR Level Premium for Texas.

### How to handle Balance to Minimum Premium (BTMP): Rate State Example:

1. Remove the Balance to Minimum Premium from Company Standard Premium		
Company Standard: \$2,000,000	Balance to Minimum Premium: \$300,000	Adjusted Company Standard: = \$1,700,000

2. Remove the effect of the deviation		
Adjusted Company Standard: \$1,700,000	Deviation: / .983	Subtotal Premium: = \$1,729,400

3. Add the Balance to Minimum Premium back in		
Subtotal: \$1,729,400	Balance to Minimum Premium: \$300,000	DSR Premium total: = \$2,029,400



### Expense Constants—Company-Selected

- Fixed amount
- Included in Net and Company Standard premium levels

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
9 Expense Constants: Company-Selected Expense	X	X		X	

### Expense Constants—NCCI-Published

- Included in Rate State
- Exclude in Loss Cost State
- In Texas, and for loss cost states for voluntary business only, NCCI doesn't publish an expense constant

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
10 Expense Constants: NCCI-Published Expense	X	X	X		

### Expense Constant (E.C.)—Rate State

#### Example:

Company Standard Premium	Company E.C.	Deviation
\$5,800,000	\$500,000	0.900
	<b>NCCI E.C.</b>	
\$5,800,000	\$400,000	0.900
<b>DSR Level Premium:</b>		
<b><math>[(5,800,000 - 500,000)/.90] + 400,000 = 6,288,889</math></b>		

### Independent Carrier Filings

- This premium is included in Net Premium but not included in Company Standard and DSR Level Premium
- Only applies when there is not a premium component already explicitly stated in the chart

Premium Components Summary Chart

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
19. Independent Carrier Filings	X				



### Managed Care Programs

- Include this adjustment in all premium levels
- Many states may have specific names for this program
- Examples of state-specific programs include:
  - Colorado Designated Medical Provider Program
  - Georgia Managed Care Arrangement Premium Credit Program

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
21 Managed Care Programs: Managed Care Credits	X	X	X	X	X

### Texas-Certified WC Health Care Network

- Included in the Net premium only.
- Different than Managed Care Programs in other states.

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
32 Texas Certified WC Health Care Network	X				

### Schedule Rating

- Schedule Rating adjustment is included in Net premium only
- Calls 10 and 10T

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
30 Schedule Rating and Other Prospective State-Specific Rating Adjustments	X				

### Consent to Rate

- Net and Company Standard premium include amounts attributable to CTR
- DSR premium only includes the premium at the approved rate

Component	Net	When DSR Level Is Rates		When DSR Level Is Loss Costs	
		Company Standard	DSR	Company Standard	DSR
5 Consent to Rate	X	X		X	





### Consent to Rate Example

<b>State Approved Rate</b>	<b>Payroll</b>	<b>Premium (Payroll/100 x Rate)</b>
\$5.00	\$300,000	\$15,000
<b>Consent to Rate Amount</b>	<b>Payroll</b>	<b>Premium (Payroll/100 x Rate)</b>
\$20.00	\$300,000	\$60,000
<b>Premium Amounts Reported to NCCI</b>		
<b>DSR Premium</b>	<b>Company Standard Premium</b>	<b>Net Premium</b>
[ _____ ]	[ _____ ]	[ _____ ]
<b>Consent to Rate Amount = [ _____ ]</b>		

### Financial Call Losses

#### Paid + Case Losses

<p><b>Indemnity</b></p> <p>Replacement of lost wages</p>	<p><b>Medical</b></p> <p>Medical care for injuries</p>
--	--

### Subrogation

- Recovered losses from a third party
- Reduce paid losses by the losses recovered



### Subrogation Examples

Ex. 1

Indemnity Paid loss amount \$10,000 – \$3,000 (actual subrogation received less subrogation expenses) = \$7,000 amount to be reported.

Ex. 2

If the aggregate paid amount for all claims is negative for an observation year:

- PY 2019 aggregate medical paid amount = \$-400,000
- PY 2019 aggregate medical case outstanding amount for the observation year = \$1,000,000

Then:

- Reduce the case outstanding \$1,000,000 – \$400,000 (negative paid amount) = \$600,000
- The paid amount for PY 2019 should be set to zero

### Lump-Sum Settlement

Losses are split into indemnity and medical losses

- When a claim involves a lump sum, the actual lump-sum amount is subdivided according to indemnity and medical
- If the subdivision between indemnity and medical is unknown or unspecified, use the case values prior to settlement adjustments to determine the prorated reported amount for indemnity and medical

### Lump-Sum Settlement Example

Lump-sum settlement amount: \$1,500,000 (subdivision is <i>unknown or unspecified</i> in the settlement)		
Indemnity case value prior to the settlement	\$300,000	23%
Medical case value prior to the settlement	\$800,000	77%
Report prorated indemnity amount	\$1,500,000 x 23%	<b>\$345,000</b>
Report prorated medical amount	\$1,500,000 x 77%	<b>\$1,155,000</b>



### Employers Liability

An accident for one claimant with reportable losses under both workers compensation and employers liability is reported as one claim, with combined loss experience:

Call 31 Example:

	Indemnity Paid	Medical Paid	Indemnity Case	Medical Case
<b>Workers' Compensation Claim WC22008</b>	10,000	20,000	5,000	30,000
<b>Employers' Liability companion claim EL122008</b>	5,000	8,000	3,000	10,000
<b>Report the combined loss experience on the Calls</b>	15,000	28,000	8,000	40,000

### Deductible Policies Example

All states except Kentucky:

Policy has a deductible amount of:	\$1,000
Claim has medical loss amount (not including the deductible amount)	\$6,000
Report the total amount of (which is gross of the deductible amount of \$1,000)	[ _____ ]

Kentucky—report on a net basis:

The net amount reported should be \$6,000.
--



## Case Reserves

Information regarding Case Reserves can be found Part 5-B-2-b of Financial Call Reporting Guidebook.

- Subrogation in case reserves
- Discounting allowances and what to do if there is a change



## Additional Requirements



FCRG – Part 6-A

Categories:

- Coal Mine Experience
- Large Deductibles
- Excess Policies
- Maritime and Federal Employers' Liability Act (FELA)
- F - Classifications
- Other Types of Experiences





## Coal Mine Experience





Financial Call Reporting Guidebook

Call #	States Except Virginia					Texas	Virginia				
	OD-Black Lung			Traumatic and OD Other Than Black Lung		Traumatic and OD Other Than Black Lung	OD-Black Lung			Traumatic and OD Other Than Black Lung	
	Surface	Under-ground	Other	Surface	Under-ground		Surface	Under-ground	Other	Surface	Under-ground
	0156 0157	0158	0159 0164 9615	1005 1009 1019	1015 1016	1165	0156 0157	0158	0159 0161 0162	1005 1009	1016
1	X	X	X	X	X	X	X	X	X	X	X
1A	X	X	X	X	X		X	X	X	X	X
1B	X	X	X	X	X						
1C											
1D	X	X	X	X	X						
3				X		X					
3A				X		X					
5				X		X					
5A				X		X					
8				X		X					
8 (line 1)				X		X					
8 (line 4)	X	X	X		X		X	X	X	X	X
10				X							
10T						X					
14	X	X	X	X	X		X	X	X	X	X
19	X	X	X	X	X	X	X	X	X	X	X
26				X							
31				X							
32A							X	X		X	X
32V							X	X		X	X
33							X	X		X	X

- Part 6 lists all coal mine codes
- The “X” indicates whether that statistical code or classification code is included in the Call
- VA: Separate coal mine Calls

## Deductible Policies—Large

Policies with a deductible amount of \$100,000 or more (except Oregon and Texas) per claim or accident or per aggregate	
<p><b>Oregon:</b></p>  <p>Deductible amount of \$75,000 or more per claim or accident or per aggregate</p>	<p><b>Texas:</b></p>  <p>Deductible amount of more than \$25,000 per claim or per accident or \$100,000 per aggregate</p>

## Excess Policies

Policies that cover loss above a specified threshold; however, carriers do not get involved until the loss amount exceeds the threshold.

Include if:	Exclude in:
Excess Policies are included in Statutory Page 14, Line 16 of NAIC on Calls 1, 1A, 8, 14, 19, and 26	Financial Calls other than the Calls included



F-Classifications

- Part 6 shows all F-classification codes

0763F	6006F	6801F	6803F	6824F	6825F	6826F
6827F	6828F	6829F	6843F	6845F	6846F	6869F
6872F	6873F	6874F	6875F	7309F	7313F	7317F
7323F	7327F	7350F	7352F	7366F	8709F	8711F
8726F	9077F					

- Federal (F) classification included in Calls:

Call	Call Name
1	Calendar Year Call for Workers Compensation Net Direct Written Premium
1A	Calendar Year Call for Direct Assignment Net Direct Written Premium
1B	Calendar Year Alternate Equivalent Premium Call
1C	Calendar Year Kansas Municipalities Premium Exclusion Call
1D	Calendar Year New Mexico Small Policy Exemption Call
8	Reconciliation Report
14	Calendar Year Expense Call
19	Accident Year Countrywide Loss Adjustment Expense
26	North Carolina Addendum for Call #19 Only

- Include experience for non-F class codes where USL&HW factor has been applied



### Maritime and Federal Employers' Liability Act (FELA)

- Part 6 shows all maritime and other FELA class codes

6702	6703	6704	7016	7019	7020	7024	7027	7028
7036	7037	7038	7039	7046	7047	7048	7049	7050
7051	7062	7069	7070	7076	7079	7088	7089	7090
7091	7094	7097	7098	7099	7131	7133	7134	7135
7151	7152	7153	7333	7335	7337	7394	7395	7398
8734	8737	8738	8805	8814	8815			

- Included in Calls 1, 1A, 1B, 1C, 1D, 6, 8 (reconciliation item), 14, 19, and 26 (addendum for Call 19 only)
- Exclude all Maritime experience and other FELA classification effective 01/01/03 and after from Calls:

Call	Call Name
3	Policy Year Call
3A	Policy Year—Assigned Risk Call
5	Calendar-Accident Year Call
5A	Calendar-Accident Year—Assigned Risk Call
10	Schedule Rating and Other Prospective Premium Adjustments Call
10T	Texas—Policy Year Call for Schedule Rating Modifications
26	North Carolina Addendum (except for Addendum for Call 19)
31	Large Loss and Catastrophe Call

### Other Types of Experience

- West Virginia Deliberate Intent (Mandolidis) Coverage: exclude any experience associated with this coverage
- Wrap-up policies: not large deductible, include in the Calls
- Domestic Worker Experience: include domestic worker in all Calls written under workers compensation and employers liability policies
  - Exclude if written under other liability insurance or if coverage is part of homeowners insurance



## Statistical Plan Loss Rules



Stat Plan:  
Parts 4-C-5 & 4-C-6

- The **Financial Call Reporting Guidebook (FCRG)** is your primary resource for reporting requirements and instructions.
- Data providers are required to use the FCRG in conjunction with the **Statistical Plan Manual**.  
Loss rules examples: Punitive Damages

**5. Awards**  
(Exceptions: **MO, IX**)

a. When an award to a claimant includes the cost of witness fees, attorney fees, and other court costs, the amount awarded must be considered part of the cost of benefits and must be included as part of the incurred indemnity loss and paid indemnity loss as appropriate.

b. With respect to claims brought by persons against whom an employee has brought a third party common law action, such special costs must be reported as an indemnity loss whether or not a recovery is made against the third party by the employee.

**6. Penalties for Delays in Making Compensation Payments**  
(Exceptions: **EL, HE, IX**)

**a. Included in Indemnity Loss**

If the carrier is liable for penalties for reasons beyond its control that accrue as benefits to the injured worker or to his or her dependents, the penalties must be reported as part of the incurred indemnity loss and paid indemnity loss as appropriate, e.g., for interest on awards or penalties imposed upon the employer for improper controversion of awards.

**b. Excluded From Indemnity Loss**

If the carrier is liable for penalties for any reason within its control that accrue as benefits to the injured worker or to his or her dependents, the penalties must be considered an unallocated claim expense, not included in the indemnity loss.

## Financial Call Claim Counts and DCCE

### Claim Counts

- Incurred indemnity claim count is the accumulated number of claims for which an indemnity payment has been made and/or an outstanding indemnity loss reserve exists
- The status of a claim can either be “open” or “closed”

### Indemnity Claim Count Example 1

Double Counting

Reopened Claims: Claim ABC—Closed in 2022 and Reopened in 2023	
Valuation 12/31/2022	Reported as Closed claim
Valuation 12/31/2023	Reported as an Open claim
<b>Note:</b> This is not a new claim—claim moved from Closed to Open; Total Claim Count doesn’t change on Financial Calls.	

### Indemnity Claim Count Example 2

Medical-Only Claims

Claim ABC—Opened in 2021 and Closed in 2023	
Valuation 12/31/2022	Reported as an open indemnity claim with indemnity case reserves of \$5,000
Valuation 12/31/2023	Claim closed as medical-only
<b>Note:</b> When reporting valuation 2023, an update would be needed to remove this claim from the Total Indemnity Claim Counts.	



## Expenses: DCCE and AOE

- Defense and Cost Containment Expense (DCCE)
  - Expenses for defense by the insurer in contentious situations for litigation involving a claim and for cost containment expense.
- Adjustment and Other Expenses (AOE)
  - Expenses that have been assigned to the Loss Adjusting Expense group in the Underwriting and Investment Exhibit of the NAIC Annual Statement, and they are other than those listed in Defense and Cost Containment Expense

## Defense and Cost Containment Expense



### *Financial Call Reporting Guidebook*

#### **D. LOSS ADJUSTMENT EXPENSE (LAE)**

Expenses associated with the recording, adjustment, and settlement of claims are called Loss Adjustment Expense.

Prior to 1998, LAE was reported as Allocated and Unallocated Loss Adjustment Expense (ALAE and ULAE).

Loss Adjustment Expense is divided into two types of expenses: (1) Defense and Cost Containment Expense (DCCE) and (2) Adjusting and Other Expenses.

1. **Defense and Cost Containment Expense**—Defense and Cost Containment Expense (DCCE) is defined as expenses for defense by the insurer in contentious situations (whether a first-party or third-party claim) for litigation involving a claim and for cost containment expense.

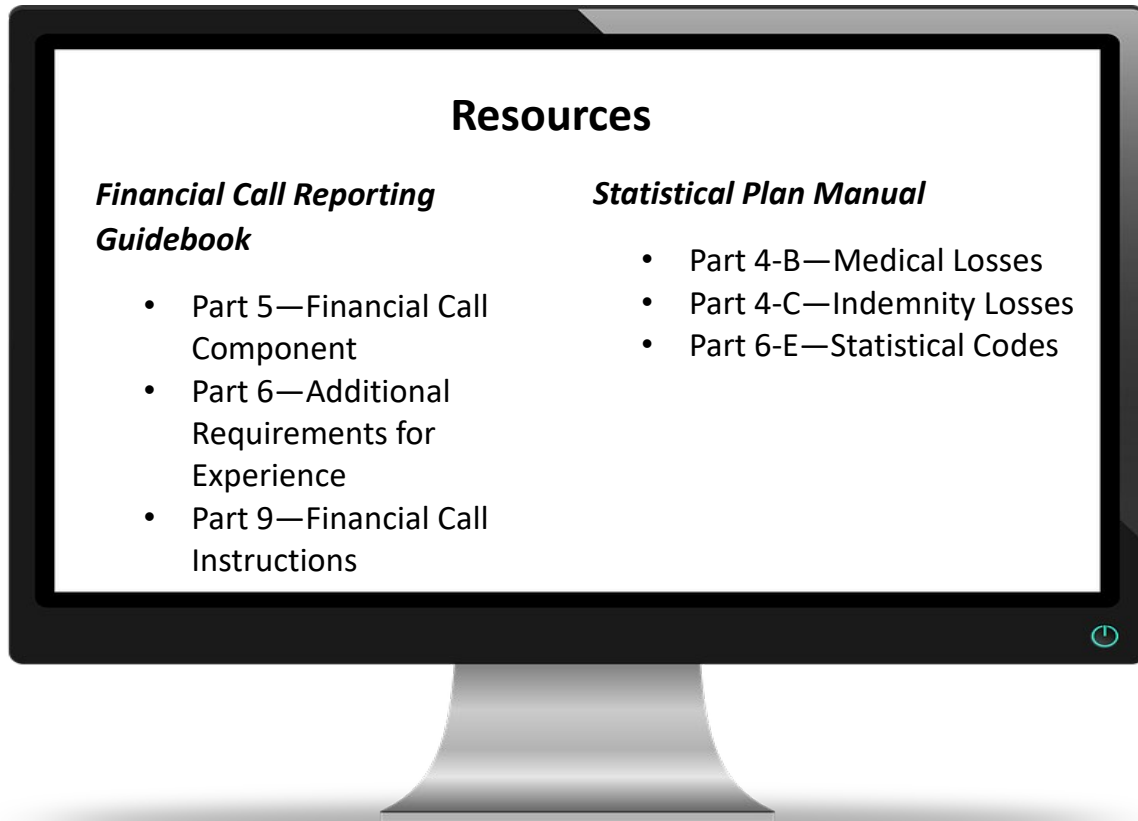
Examples of Defense and Cost Containment Expense include:

- Surveillance expenses.
- Fixed amounts for cost containment expenses.
- Case Management expenses for the purpose of managing the overall cost of a claim.
- Litigation management expenses.
- Loss adjustment expenses for participation in voluntary and involuntary market pools if reported by accident year.
- Fees or salaries for appraisers, private investigators, hearing representatives, reinspectors, and fraud investigators, if working in defense of a claim, and fees or salaries for rehabilitation nurses, if such costs are not included in the loss.
- Attorney fees incurred owing to a duty to defend, even when other coverage does not exist.
- Cost of engaging experts.
- Cost of an Independent Medical Examination (IME) unless the IME is required by an Industrial Board or Commission. If the IME is required by an Industrial Board or Commission, it is reported as a medical loss.

- Part 5 lists many examples of what is included in DCCE
- What is excluded in the expenses
  - Determination of coverage
  - Employers' liability expenses



## Resources



## ADQIP and Data Manager Dashboard

### What Is ADQIP?

- Monetary incentive program for Financial Calls that provides an incentive to submit data in a timely and accurate manner
- Reallocates the impact of late and/or inaccurate reporting back to carriers through assessments
- Applies in 38 states where NCCI is the statistical agent for Financial Calls

### Key Takeaways

Understanding of the Aggregate Data Quality Incentive Program (ADQIP) and components

- Early Reporting Credits
- Late Reporting Assessments
- Quality Edit Assessments
- Additional Quality Assessments



## Data Quality Guidebook

Primary source of detailed information on **ADQIP**, including examples

### Applicability of the ADQIP

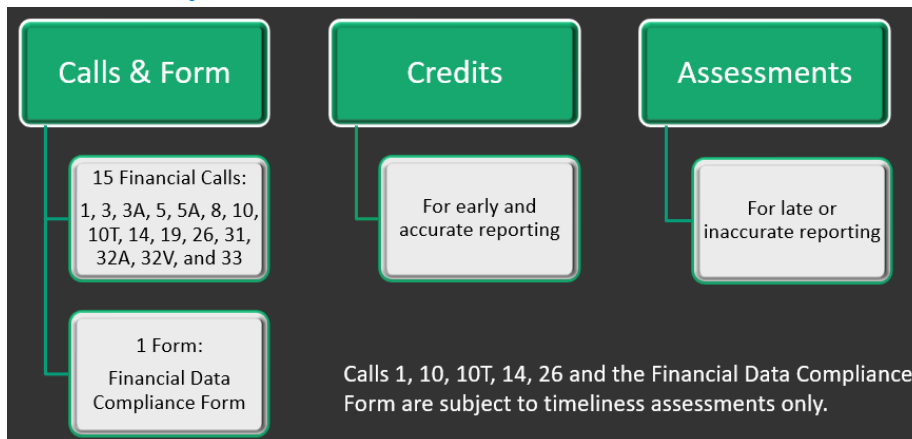
Reference ID: DQ-COMA-AE901

The **ADQIP** applies in all states where NCCI is the statistical agent for Financial Calls, including

- Alabama
- Alaska
- Arizona
- Arkansas
- Colorado
- Connecticut
- District of Columbia
- Florida
- Georgia
- Hawaii
- Idaho
- Illinois
- Indiana
- Iowa
- Kansas
- Kentucky
- Louisiana
- Maine
- Maryland
- Mississippi
- Missouri
- Montana
- Nebraska
- Nevada
- New Hampshire
- New Mexico
- North Carolina
- Oklahoma
- Oregon
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Virginia, and
- West Virginia.

Excerpt from the Data Quality Guidebook  
Aggregate Data Quality Incentive Program

## ADQIP Components



## ADQIP Early Reporting Credit Calls

Credits can be earned for reporting required Calls early in eligible states:

- Policy Year Calls #3, #3A
- Calendar-Accident Year Calls #5, #5A
- Reconciliation Report Call #8
- Large Loss and Catastrophe Call #31

**Note:** Not everyone is expected to submit each of these Calls—only the Calls you are required to report would need to be received by March 15.



## ADQIP Early Reporting Credit Eligibility Examples

Eligibility requirements must be met to earn early reporting credits.

1	All required Calls must be received at NCCI by March 15
2	State must have a market share of .05% or greater
3	Data must be error-free or have acceptable explanations on the original submission
4	The state must have \$0 late reporting and/or quality assessments
5	Financial Data Compliance Form must be received on time

If the form is received late, you would not be eligible for credits in any of your states.

## ADQIP Early Reporting Credit Table

Flat credit per state based on the individual state market share:

State Market Share	Per-State Credit
.05% to < 3.0%	\$170.00
3.0% to < 10.0%	\$425.00
10.0% to < 20.0%	\$850.00
20.0%+	\$1,700.00

- ← Example:
- If state submitted has 1% market share
  - And all criteria met
  - Then, eligible for \$170.00 credit for that state

## ADQIP Early Reporting Credit Example 1

A carrier submits all required Calls on March 12 for a state in which the market share is 9.0%. Would this state be eligible for an early reporting credit?

State Market Share	Per-State Credit
.05% to < 3.0%	\$170.00
3.0% to < 10.0%	\$425.00
10.0% to < 20.0%	\$850.00
20.0%+	\$1,700.00

**Answer:** Yes or No?

**Put your notes here:**

---





## ADQIP Early Reporting Credit Example 2

**Question:** A carrier submits seven of the eight required ratemaking Calls on March 15 for a state in which the market share is 1.5%. Would this state be eligible for an early reporting credit?

State Market Share	Per-State Credit
.05% to < 3.0%	\$170.00
3.0% to < 10.0%	\$425.00
10.0% to < 20.0%	\$850.00
20.0%+	\$1,700.00

**Answer:** Yes or No?

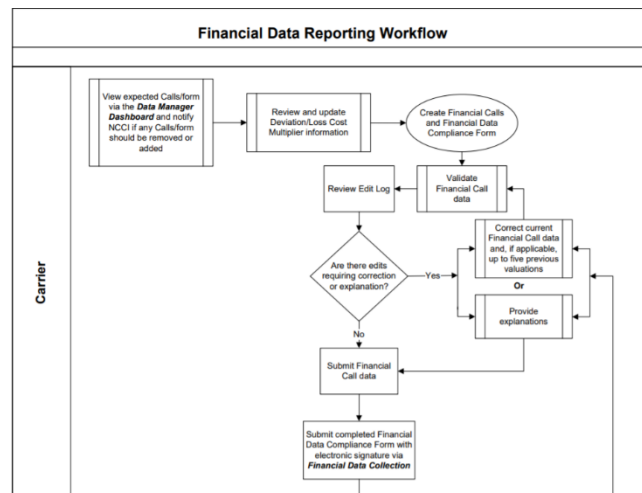
**Put your notes here:**

## Financial Data Reporting Workflow

- Found in the *Financial Call Reporting Guidebook*
- Designed for use with the *Financial Data Collection* tool
- Streamlines reporting process
- Can reduce reporting errors, potentially mitigating quality assessments

## Financial Data Reporting Workflow—Key Steps

1. Update the deviation history
2. Create all Calls for the state
3. Validate all Call data by state
4. Utilize the Self-Audit Checklist and Additional Details on the Financial Data Compliance Form
5. Resolve edits that invoke
6. Submit all Calls to NCCI
7. Complete, sign, and submit the Financial Data Compliance Form



**Note:** Before submitting data make sure edits have been corrected or an acceptable explanation is provided. Data quality is evaluated for **ADQIP** assessments based on the **original** submission date, not the due date. If edit corrections are made after submission, even if it is completed before the Call due date, **ADQIP** assessment will apply.



## Confirm Call Submissions

After submitting Calls in the **Financial Data Collection** tool, confirm the Call Status. If the status is not “SUBMITTED,” then your Call has not been received by NCCI.

**Search for Financial Call Data**

Search Call Data | Search Call History

**Call Data Filter**

Carrier Code: 33912 - NCCI TRAINING PROPERTY AND CAS | Valuation Year: As of December 31, 2022

Call Type: All Calls | State: All States | Call Status: Select Call Status

**Search Call Results**

Call Type	State	Carrier	Submission Date	Submission Type	Current User	Call Status	Last Validated
3 Policy Year	ALABAMA	33912-NCCI TRAINING PROPERTY AND CASUALTY CO	9/11/2023 3:07:40 PM	Original	Not In Use	SUBMITTED	9/11/2023 3:07:42 PM
5 Calendar-Accident Year	ALABAMA	33912-NCCI TRAINING PROPERTY AND CASUALTY CO	9/11/2023 3:07:44 PM	Original	Not In Use	SUBMITTED	9/11/2023 3:07:44 PM
8 Reconciliation Report	ALABAMA	33912-NCCI TRAINING PROPERTY AND CASUALTY CO	9/11/2023 3:07:45 PM	Original	Not In Use	SUBMITTED	9/11/2023 3:07:45 PM

## ADQIP Late Reporting Assessments

- Assessments are per Call/Form, per day, per state
- Based on the individual state market share

State/Countrywide Market Share	Assessment (per Calendar Day, per Form or Call)
< 3.0%	\$30
3.0% to < 10.0%	\$60
10.0% to < 20.0%	\$120
20.0%+	\$240

Example:

- States with a less than 3% market share would be assessed \$30 per day for each Call or Form

- Applied from the Call/Form due date through the **ADQIP** season end date of October 15

## ADQIP Quality Edit Assessments

- Applied per edit occurrence
- If your Call is submitted with an unaddressed edit, it is subject to a \$300 assessment
- If edits are corrected by October 15 (**ADQIP** season end date), the \$300 assessment is reduced to \$50
- Additional edit assessments that could apply:
  - Edits with incomplete or blank explanations are subject to \$100 assessment
  - \$50 assessment could apply when an edit notification is sent



## ADQIP Quality Edit Assessment Example

- A Call is submitted with an edit that is uncorrected; no explanation is provided or it is incomplete
- A notification is sent advising that a correction or complete explanation is required
- If edit remains uncorrected or unexplained:
  - A \$300 assessment is applied for the uncorrected edit
  - A \$100 assessment is applied for missing or incomplete explanation
  - A \$50 assessment is applied for the notification

### Results:

Uncorrected Edit	Corrected Edit	Missing/Incomplete Explanation on Submission	Notification	Total Assessment
\$300	N/A	\$100	\$50	\$450

\$450 is the maximum assessment per edit occurrence.

## ADQIP Quality Edit Assessment Example

- Correcting the edit replaces the uncorrected assessment of \$300
- \$50 assessment is applied for the corrected edit
- Assessment for the missing explanation and notification still applies
- Assessment amount reduced from \$450 to \$200

### Results:

Uncorrected Edit	Corrected Edit	Missing/Incomplete Explanation on Submission	Notification	Total Assessment
N/A	\$50	\$100	\$50	\$200

All edits need to include a complete and valid explanation to prevent the \$100 assessment.

## ADQIP Additional Quality Assessments

- Up to \$5,000 per state for a significant, unresolved data quality issue that results in exclusion from filing
- \$2,000 per state for Fin/Stats discrepancies that are not resolved by February 15 of the following year
- Advance notification of the potential assessment will be provided

Tip:

- Fin/Stat is a comparison of Financial to Unit Statistical data
- May result in a request to correct or explain discrepancies



## Communicating Your ADQIP Results

Results letters are delivered to your **Data Transfer via the Internet (DTVl)** mailbox—up to three letters per **ADQIP** year:

Letter 1 May—Current Year	Letter 2 October	Letter 3 May—Following Year
Delivered to <b>ADQIP</b> Contact Role	Delivered to <b>ADQIP</b> Contact Role or Financial Call Actuary/Corporate Officer Role	
<ul style="list-style-type: none"> <li>• Current late reporting results</li> <li>• Outstanding Calls</li> <li>• Informational Only</li> </ul>	<ul style="list-style-type: none"> <li>• Late reporting</li> <li>• Quality</li> <li>• Credit results</li> <li>• Invoiced in November</li> </ul>	<ul style="list-style-type: none"> <li>• Additional quality and Fin/Stat results</li> <li>• Invoiced in June</li> </ul>

## ADQIP Letter Additional Information

- Letters are distributed at the Reporting Group level and remain in the **DTVl** mailbox for eight days
- Letters are not distributed for \$0 results
- Invoices/credit memos are produced at the carrier-code level 30 days after letter delivery
- **ADQIP** credits may be applied to any NCCI invoice and must be used within one year



Tip:  
Credits can be applied to any NCCI invoice!

## ADQIP Recap

Submit the required Calls by March 15 to be eligible for early reporting credits, or by the due date to avoid timeliness assessments

Submit the Financial Data Compliance Form by the due date to prevent loss of credits in all states

Follow the Financial Data Reporting Workflow in Part 3 of the **Financial Call Reporting Guidebook** to reduce quality edits

Quality of data is based on the submission date, not the due date, so correct quality edits prior to submission



## Data Manager Dashboard

### Key Takeaways

How to use the *Data Manager Dashboard (DMD)* to:

- Monitor **ADQIP** results
- Submit **ADQIP** appeals
- View expected Financial Calls

### ADQIP in Data Manager Dashboard—Summary

Summary - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO

Key Indicators Residual Market Linking/Verification

Show me how 09/18/2023 10:12 AM

Compliance

DQIP Factors

DQIP Quarter	Factor
Q1-2022	0.90
Q2-2022	1.30
Q3-2022	1.00
Q4-2022	1.00
Q1-2023	1.00
Q2-2023	1.00
Q3-2023	1.00

DQIP Assessments

No results found.

ADQIP Credits and Assessments for Reporting Group 33912

Valuation	Timeliness	Quality	Credits	Total
2022	\$34,230	\$850	*(Pending)	\$35,080.00
2021	\$0	\$0	\$0.00	\$0.00

\*Credits will be displayed when invoiced in November

1. Access [ncci.com](https://ncci.com)
2. Log into *DMD* Summary page

### Summary

Summary - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO

Key Indicators Residual Market Linking/Verification

Show me how 09/18/2023 10:12 AM

Compliance

DQIP Factors

DQIP Quarter	Factor
Q1-2022	0.90
Q2-2022	1.30
Q3-2022	1.00
Q4-2022	1.00
Q1-2023	1.00

ADQIP Credits and Assessments for Reporting Group 33912

Valuation	Timeliness	Quality	Credits	Total
2022	\$34,230	\$850	*(Pending)	\$35,080.00
2021	\$0	\$0	\$0.00	\$0.00

\*Credits will be displayed when invoiced in November

Tip:

- The credit amount for the current valuation will show “(Pending)” until the assessments and credits are invoiced in November
- Valuations are refreshed on March 1 each year



# Data Now Program (DNP) Financial Call Components: Advanced Topics and ADQIP

## ADQIP in Data Manager Dashboard

The screenshot shows the 'Data Manager Dashboard' for 'Summary - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO'. The 'Compliance' menu item is highlighted with a green arrow. Below the navigation bar, there are tabs for 'Key Indicators', 'Residual Market', and 'Linking/Verification'. A 'DQIP Factors' chart shows a line graph with data points for quarters from Q1-2022 to Q3-2023. A green arrow points to the 'Compliance' link in the chart area. To the right, there are 'DQIP Assessments' and 'ADQIP Credits and Assessments' sections, with green arrows pointing to the 'Timeliness' and 'Quality' links.

To access Compliance Page:

1. Select Compliance Programs
2. Select one of the two Compliance Program links, or
3. Go directly to the **ADQIP** results by selecting Timeliness or Quality links

## Timeliness—View Detail by Call

The screenshot shows the 'Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO' page. The 'ADQIP' tab is selected, and the 'Timeliness' sub-tab is active. The 'View detail by' dropdown is set to 'Call'. A table titled 'Calls Received for Financial Reporting Group 33912 as of 09/20/2023 07:38 AM' is displayed. A green box highlights the 'View detail by' dropdown and the 'Call' radio button. Another green box highlights the first row of the table for the year 2022.

Valuation Year/Call/Carrier	Calls Expected			FineAmount
	Total	Received	Missing	
2022	7	7	0	\$34,230
2021	0	0	0	\$0

ADQIP Timeliness Results Screen

- Three tabs in the **ADQIP** folder
- View detail for each Call or by State
- Displays results for reporting group by valuation date
- Use arrows to expand and see counts for each of the valuation years

## Timeliness—View Detail by Call

The screenshot shows the same 'ADQIP Timeliness Results Screen' but with the 'View detail by' dropdown expanded to show 'Call' selected. The table is expanded to show detailed information for the year 2022. A green box highlights the 'View detail by' dropdown and the 'Call' radio button. Another green box highlights the expanded rows for 2022, including '3 Policy Year', '5 Calendar-Accident Year', '8 Reconciliation Report', and '10T Texas Supplemental Call'.

Valuation Year/Call/Carrier	Calls Expected			FineAmount
	Total	Received	Missing	
2022	7	7	0	\$34,230
3 Policy Year	2	2	0	\$9,780
33912	2	2	0	\$9,780
5 Calendar-Accident Year	2	2	0	\$9,780
8 Reconciliation Report	2	2	0	\$9,780
10T Texas Supplemental Call	1	1	0	\$4,890
2021	0	0	0	\$0

Timeliness View by Call

- Timeliness information first by Call
- Expand to show the detail by company
- Current results for the Calls Expected are displayed for each company
- Includes:
  - Total Calls expected
  - Received Calls
  - Missing Calls
  - Current Fine Amount



### Timeliness—View Detail by State

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality Appeals

View detail by  
 Call  State

Calls Received for Financial Reporting Group 33912 as of 09/20/2023 07:38 AM					
Valuation Year/Carrier	Calls Expected			FineAmount	
	Total	Received	Missing		
2022	7	7	0	\$34,230	
AL-01	3	3	0	\$14,670	
33912	3	3	0	\$14,670	
TX-42	4	4	0	\$19,560	
2021	0	0	0	\$0	

View Results by State

- Displays first by state, then by company
- Use links by either Call or State to see a list of Calls included in count

### Timeliness—View Detail by State

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print Download

Calls Received for Financial Reporting Group 33912 - Calls Received as of 09/19/2023 09:28 AM

2022 - AL-01 - 33912

Carrier Code	State	Market Share	Due Dt	Fine Start Dt	Rcv'd Dt	Days Late / (Early)	Fine
33912	AL-01	0.00	04/01/2023	04/01/2023	09/11/2023	163	\$4,890.00
Call Type - 3 Policy Year							
33912	AL-01	0.00	04/01/2023	04/01/2023	09/11/2023	163	\$4,890.00
Call Type - 5 Calendar-Accident Year							
33912	AL-01	0.00	04/01/2023	04/01/2023	09/11/2023	163	\$4,890.00
Call Type - 8 Reconciliation Report							

Tip:

- To be eligible for **ADQIP** early reporting credits, a state must have .05% or more market share
- Early reporting credits do not display until end of the season
- Print or Download results

Using link from results displays details of the Call, including:

- Carrier Code
- State
- Market Share
- Due Date
- Fine Start Date
- Received Date
- Number of Days the Call was early or late
- Fine Amount



# Data Now Program (DNP) Financial Call Components: Advanced Topics and ADQIP

## Print/Download

### Print

### Download

## Quality—View Detail by Call

Valuation Year	Call/Carrier	Total	Subject to Fine	
			Count	Amount
2022		2	2	\$850
3 Policy Year		1	1	\$400
33912		1	1	\$400
5 Calendar-Accident Year		1	1	\$450
2021		0	0	\$0

View Results by Quality

- Displays View detail by Call
- Displays edit counts by Valuation Year, Call, and Company

## Quality—View Detail by State

Valuation Year	State/Carrier	Total	Subject to Fine	
			Count	Amount
2022		2	2	\$850
TX-42		2	2	\$850
33912		2	2	\$850
2021		0	0	\$0

View Results by Quality

- Displays View detail by State
- Displays edit counts by Valuation Year, Call, and Company
- Select the link under Subject to Fine to view details of edits that make up the fine for Call/State combination





## Quality

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print Download

Quality Edit Summary for Financial Reporting Group 33912 - Calls Subject to Fine as of 09/19/2023 10:06 AM

2022 - TX-42 - 33912

Carrier Code	State	Edit	Observation Year	Explanation Accepted Status	Corr Status	Fine Status	Explanation Assessment	Notification Assessment	Fine
33912	TX-42	532	2022	O	N	Pending	Y	Y	\$450.00
Call Type - 5 Calendar-Accident Year									
33912	TX-42	532	Z	O	N	Pending	Y	Pending	\$400.00
Call Type - 3 Policy Year									

Tip:  
Statuses are updated as the financial validator completes edit review.

### View Subject to Fine Details:

- Details for each of the edits in the column selected
- Displays:
  - Call Type
  - Carrier Code
  - State
  - Edit Number
  - Observation Year
  - Accepted Status of the Explanation
  - Correction Status
  - Fine Status
  - Explanation and Notification Assessment Status

## View Appeals

Data Manager Dashboard Search ncci.com

Contact Us Log Out My Profile

Summary Policy Unit DCI Financial Medical Indemnity Pool **Compliance** Tools and Information

About

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality **Appeals**

Appeals Received for Financial Reporting Group 33912 as of 09/19/2023 10:09 AM

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated by
9116	12/31/2022	33912	GENERAL	GRANTED	09/14/2023	DCMSC



## View Appeals

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality **Appeals**

Appeals Received for Financial Reporting Group 33912 as of 09/19/2023 10:09 AM

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated by
9116	12/31/2022	33912	GENERAL	GRANTED	09/14/2023	DCMSC

**Amount Granted** \$0.00

**Comment** Add your appeal comments here.

**NCCI Response** The response to your appeal will be displayed here.

Appeals detail includes:

- Amount granted (if it was granted)
- Original appeal comments submitted
- NCCI response to appeal

Appeals are not created in the **DMD** tool. They are created in the **Financial Data Collection** tool.

## Create Appeals—Financial Data Collection Tool

To create an **ADQIP** appeal:

1. Log into **FDC** tool
2. Select Tools and Information
3. Select ADQIP Appeals

## Create Appeals—Financial Data Collection Tool

→ **Create Appeal**

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated By	Comments
<b>Create Appeal</b> Appeal ID: <input type="text"/> Appeal Status: OPEN Valuation Date: 12/31/2022 Description: <b>TIMELINESS LETTER</b> Please provide the reason for your appeal including the State, Financial Call Number, Error Code and Observation where applicable in the Comments section below. Note, appeal comments are limited to 2000 characters including spaces. Comments: <input type="text"/> Save <b>Submit</b> Close							

To create an **ADQIP** appeal:

1. Select Create Appeal
2. Select Description from the drop down
3. Select Valuation Date
4. Add your comments
5. Submit appeal

## Create Appeals

Compliance Programs - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality **Appeals**

Appeals Received for Financial Reporting Group 33912 as of 11/11/2020 01:45 PM

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated by
4804	12/31/2020	33912	TIMELINESS AND QUALITY LETTER	GRANTED	10/27/2020	DCMSC
4809	12/31/2020	33912	TIMELINESS AND QUALITY LETTER	NCCI ACKNOWLEDGED	10/27/2020	DCMSC

After Submitting Appeal:

- Record displays in **FDC** tool, and
- Displays on **DMD** Appeals screen
- Email sent acknowledging appeal
- Status updated



## Appeal Response

- You will receive a second email notification when the response to your appeal is available

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality **Appeals**

Appeals Received for Financial Reporting Group 33912 as of 09/19/2023 10:46 AM

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated by
9116	12/31/2022	33912	GENERAL	GRANTED	09/14/2023	DCMSC

- You can review the response by expanding the view

## ADQIP in Data Manager Dashboard—Appeal Response

Compliance - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO Print

DQIP Regulator Exception **ADQIP** Carrier Report Card

Timeliness Quality **Appeals**

Appeals Received for Financial Reporting Group 33912 as of 09/19/2023 10:46 AM

Appeal ID	Valuation Date	Group Code	Description	Status	Status Date	Last Updated by
9116	12/31/2022	33912	GENERAL	GRANTED	09/14/2023	DCMSC

Amount Granted \$0.00

Comment Add your appeal comments here.

**NCCI Response** The response to your appeal will be displayed here.

Appeal response available in both *FDC* and *DMD*



## Expected Financial Calls

### Expected Financial Calls in Data Manager Dashboard

Financial - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO

View detail by:  Call  State  Count  Percent  Chart

Valuation Year	Call/Carrier	Calls Expected			
		Total	Received	Missing	Received Not Expected
2022		7	7	0	0
2021		0	0	0	0

Select Financial

- Select Timeliness folder to display the total count of Calls expected by NCCI
- Expand to see the detail by valuation

### Expected Financial Calls in Data Manager Dashboard—Details

Financial - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO

View detail by:  Call  State  Count  Percent  Chart

Valuation Year	Call/Carrier	Calls Expected			
		Total	Received	Missing	Received Not Expected
2022		7	7	0	0
2021		0	0	0	0

View detail by:

- Call and Company, or
- State and Company
- Count, Percent, or in a Chart
- Click on link to view full list of expected Calls

Details include:

- Calls Expected Total
- Received
- Missing
- Received But Not Expected

### Expected Financial Calls in Data Manager Dashboard

Financial - 33912 - NCCI TRAINING PROPERTY AND CASUALTY CO

Calls Received for Financial Reporting Group 33912 - Total Calls Expected as of 09/20/2023 08:21 AM

Valuation Year	Carrier Code	Call Type	State	Due Date	Received Date	Subject to ADQIP
2022	33912	3 Policy Year	AL-01	04/01/2023	09/11/2023	Y
2022	33912	3 Policy Year	TX-42	04/01/2023	09/11/2023	Y
2022	33912	5 Calendar-Accident Year	AL-01	04/01/2023	09/11/2023	Y
2022	33912	5 Calendar-Accident Year	TX-42	04/01/2023	09/11/2023	Y
2022	33912	8 Reconciliation Report	AL-01	04/01/2023	09/11/2023	Y
2022	33912	8 Reconciliation Report	TX-42	04/01/2023	09/11/2023	Y
2022	33912	10T Texas Supplemental Call	TX-42	04/01/2023	09/11/2023	Y

Tip:

Contact your validator if Calls submitted are not displaying or if Calls should no longer be displayed.

Total Calls Expected screen displays:

- Valuation Year
- Carrier Code



- Call Type
- State
- Call Due Date
- Received Date
- Subject to **ADQIP**

## Expected Financial Calls in Data Manager Dashboard

Valuation Year/Call/Carrier	Open Notifications	Total	Current Edits	
			With Explanation	Without Explanation
2022	0	2	0	2
3 Policy Year	0	1	0	1
5 Calendar-Accident Year	0	1	0	1
2021	0	0	0	0

Tip: Use this information to monitor your current edits.

The Quality screen provides details:

- By Call or State
- View as a Count, Percent, or Chart
- Displays count of open edit notifications
- Current Edits Total
- Edits With Explanation
- Edits Without Explanation

## Data Manager Dashboard—Recap

Use the **Data Manager Dashboard** to monitor your **ADQIP** timeliness and quality results

View expected Financial Calls

Submit **ADQIP** appeals using the **Financial Data Collection** tool

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.