



Data Now Program (DNP) Fundamentals of Unit Statistical Data Reporting and Validation

Key Takeaways

- Unit Statistical Data requirements
- Quality and timely unit submissions
- Review, research, and respond
- Unit reporting resources

Chapter 1: Overview

What is Unit Statistical Data?

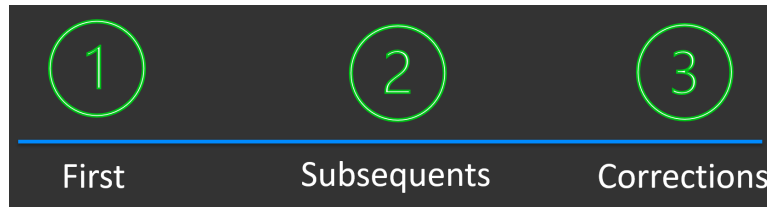
- Audited exposure, premium, and loss information
- Reported separately for each state on the policy (as governed by the *Statistical Plan Manual*)

Unit Breakdown

Data elements are the field level information that are used to represent the information in your system. These elements are rolled up into records and then submitted in the form of units.



Types of Unit Reports



Unit Report Valuation and Due Dates

Based on the policy effective date, all first and subsequent reports have a valuation month and due month.

Report Level	Valuation (Month After PED*)	Reporting Month Window
1st	18th	18–20
2nd	30th	30–32
3rd	42nd	42–44
4th	54th	54–56
5th	66th	66–68
6th	78th	78–80
7th	90th	90–92
8th	102nd	102–104
9th	114th	114–116
10th	126th	126–128

Units reported within a three-month window

Subsequents are valued and reported up to the 10th report level.

*Policy Effective Date



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Resources

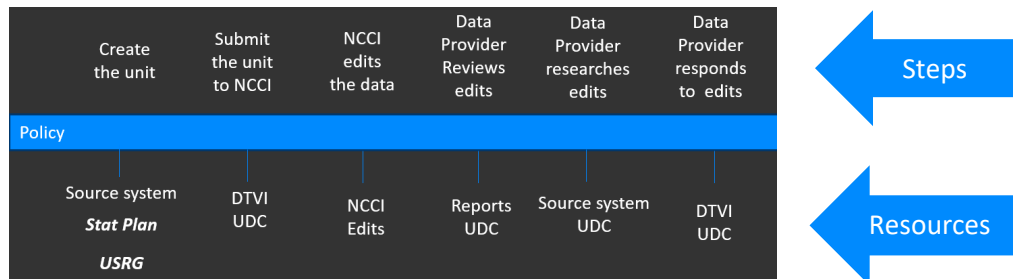
- **Statistical Plan Manual**—Provides rules for reporting Unit Statistical data
- **Unit Statistical Reporting Guidebook**
 - Companion manual to the **Statistical Plan Manual**
 - Instructions, guidelines, and examples
 - Edit and validation matrices
 - Covers various topics
- **Unit Data Collection (UDC) tool**
 - Search
 - View
 - Research
 - Update

Data reporting manuals are located on **ncci.com** within the Manual’s Library section of **NCCI Atlas**.

Unit Statistical Data Reporting Workflow

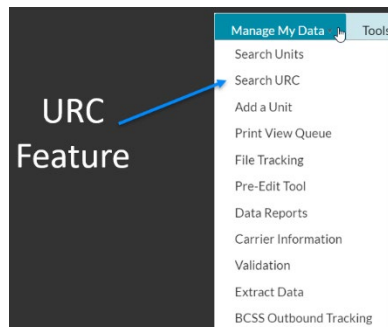
The policy starts the workflow and sets the expectation for a unit to be reported to NCCI. Based on the Policy Effective Date, Valuation Date, and the Due Date, a 1st report is submitted. The status of reported claims will determine if subsequent reports are needed.

Once the policy has completed its term, the unit process begins.



Resources for Monitoring Your Data

UDC tool:





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URC Reports

The screenshot shows the NCCI Data Reports web interface. At the top, there is a navigation bar with links for Policy, Unit, URC (highlighted), DCI, Tools and Information, and About. Below the navigation bar, the page title is "URC - 45856 - NCCI TRAINING COMPANY". There are three tabs: "NCCI Generated" (selected), "Customer Generated", and "My Queue". A "Reports" dropdown menu is open, showing options: "-- Please select a Report --", "URC Monthly Expected Report", and "URC Monthly Overdue Report".

Chapter 2: Unit Components

1st Report

- Initial Valuation of Losses
- Audited Exposure
- State-by-State Basis

1st Report Records:

- Header
- Name
- Address (optional)
- Exposure
- Loss (if any)
- Totals (optional)

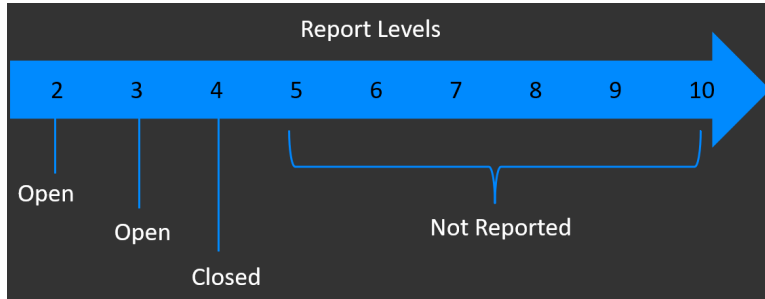




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Subsequent Report

- Provides updated information on open claims, reopened claims, and newly arising claims
- Contains only loss data
- Used to report loss development
- Includes 2nd-10th reports



Subsequent Report Records:

- Header
- Name
- Address (optional)
- Loss (if any)
- Totals (optional)

Part 6—Coding Values

- Overview
- Header/Policy Information
- Exposure Information
- Loss Information
- Statistical Codes
 - Subject to Experience Rating
 - Not Subject to Experience Rating
 - Not Part of Standard Premium

Statistical Plan Manual 2008 Edition

- National
 - Change Tracking Guide
 - Preface
 - Part 1—General Rules
 - Part 2—Header/Policy Information
 - Part 3—Exposure Information
 - Part 4—Loss and Expense Information
 - Part 5—Correction Information
 - Part 6—Coding Values
 - A. Overview
 - B. Header/Policy Information
 - C. Exposure Information
 - D. Loss Information
 - E. Statistical Codes
 - 1. Premium Amount Subject to Experience Rating
 - 2. Premium Amount Not Subject to Experience Rating
 - 3. Premium Amount Not Part of Standard Premium
 - Part 7—Pension Tables



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Common Data Elements Across Records

These should always be consistent across all report levels

Policy Number
Carrier Code
Report Number
Correction Sequence Number
Policy Effective Date
Exposure State

Remember prefixes and suffixes

Note: Elements in blue boxes should be consistent across all report levels

Record Types

- Header—Associated with policy
- Name—Named insured on the policy
- Address—Location of operations
- Exposure—Audited payroll and premium
- Loss—Claim information
- Total—Primarily reported for Independent Bureau States

Header Record Data Elements

The Header Record has 15 elements, some of the elements include:

- Deductible Type Code
- Policy Type Code
- Risk ID
- Estimated Audit Code

Y – estimated exposure and premium

N – exposure and premium is final as of 1st report

Stat Plan Part 3-F



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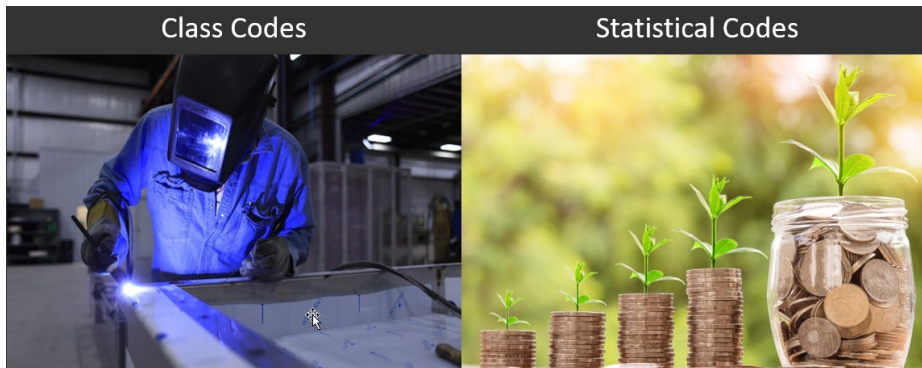
Exposure Record Data Elements

The Exposure Record has 10 elements, some of the elements include:

- Exposure Amount
- Premium Amount
- Class Codes Rates
- Statistical Codes
- Experience Mod

Class Code/Statistical Code

Class codes are used to describe a risk's operation. Statistical Codes identify premium credits/debits that modify premium.



Exposure Amount

Class Codes

- For most, the exposure is based on employee payroll, the Exposure Amount includes salary and wages
- For other Class Codes, exposure is calculated on a per capita basis (per person)

Statistical Codes

- Premium adjustments, so exposure is reported as zero (exception may apply)





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Premium Amount Calculation


Premium Amount Calculation

Based on Payroll

$$\frac{\text{Exposure} \times \text{Rate}}{100}$$

Based on Per Capita

Number of part-time or full-time workers employed during policy



Loss Record Data Elements

The Loss Record has 24 elements. These elements are tied to individually reported claims and include things like:

- Part of Body
- Injury Type Code
- Vocational Rehabilitation
- Accident Date
- Claim Number

Claim Number

- Identifies the claim
- Remains consistent for the life of the claim


Accident Date

- Always required
- Must be within policy period
- Keep consistent

Accident Date—Known

Claimant fell down the stairs

April 20, 2019



Accident Date—Unknown

Use the claimant's last date of exposure



Losses

Two categories:

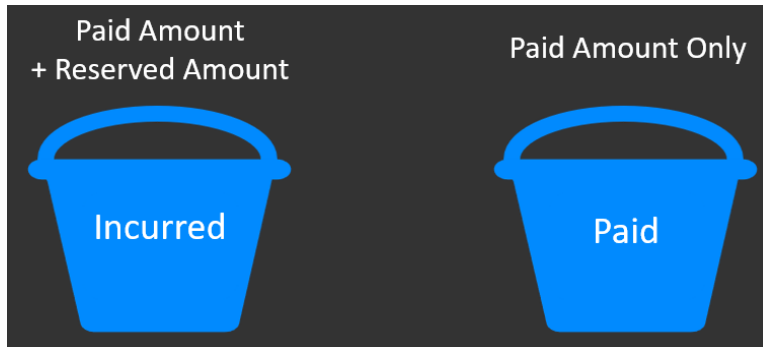


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- Medical: The portion of the claim that covers medical related expenses, e.g., doctor fees, hospital payments, exams, medical claim reserves
- Indemnity: The portion of the loss for replacement of lost wages, or other items that benefit the claimant

Reporting Losses

Losses are reported within the Incurred Amount and Paid Amount fields.



Additional Notes on Losses

- Class Code reported on losses must be present in exposures
- Paid and Incurred amounts should match when closed

Injury Description Code

1	Part of Body	What body got injured?
2	Nature	What was the result?
3	Cause	What caused it to happen?

Injury Description Code is made up of three parts. Part 6 of the **Statistical Plan** provides a table that breaks down each body part and the associated codes and descriptions.

Part of Body Code Assignment

- Based on the specific part of body affected by the injury
- Looks to the specific body part that had the most significant contribution to the cost of the claim
- Report using the Part of Body Codes located in Part 6 of the **Statistical Plan**



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Loss Development

- A change in the loss from one report level to the next
 - Indemnity and medical loss reserves
 - Indemnity and medical payments
 - ALAE paid/incurred amounts
 - Injury Type
- Reported on a going-forward basis
 - 2nd—10th reports

Chapter 3: Reporting Your Data

Resources

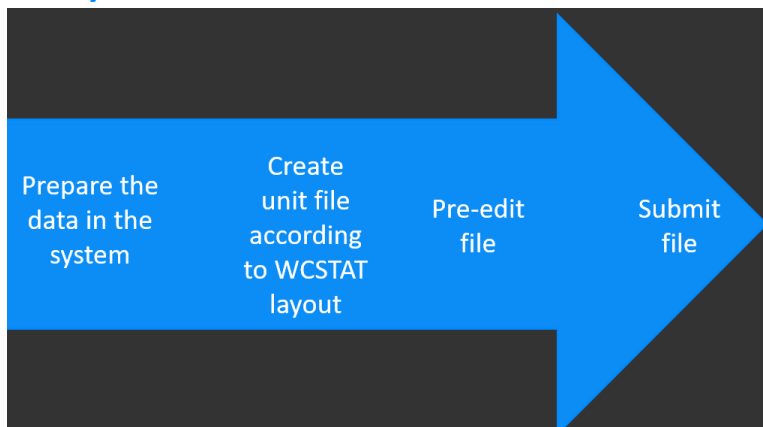
- WCIO Workers Compensation Data Specification Manual
 - Shared resource between NCCI and independent bureaus for electronic reporting
 - Requirements for electronic reporting
 - Includes details, definitions, and instructions
 - WCSTAT section
- **Electronic Transmission User's Guide (ETUG)**
 - Resource for electronic reporting Instructions for sending and receiving files to and from NCCI
 - Naming conventions
 - Forms

Submission Methods

Submit your unit files using:

- **Data Transfer via the Internet (DTVI)**
- **Unit Data Collection** Tool

Ready to Submit

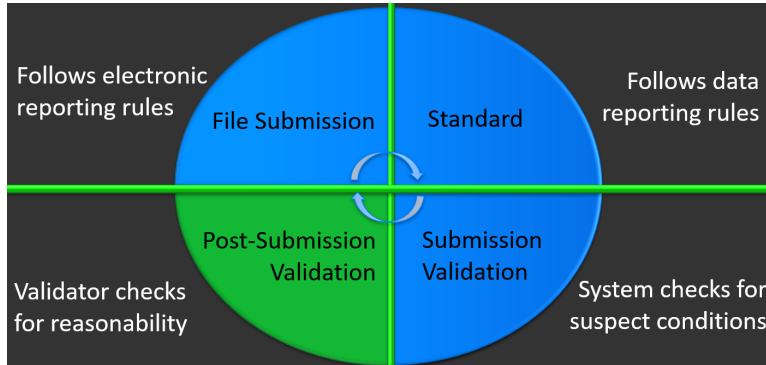




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Chapter 4: Editing

Edit Types

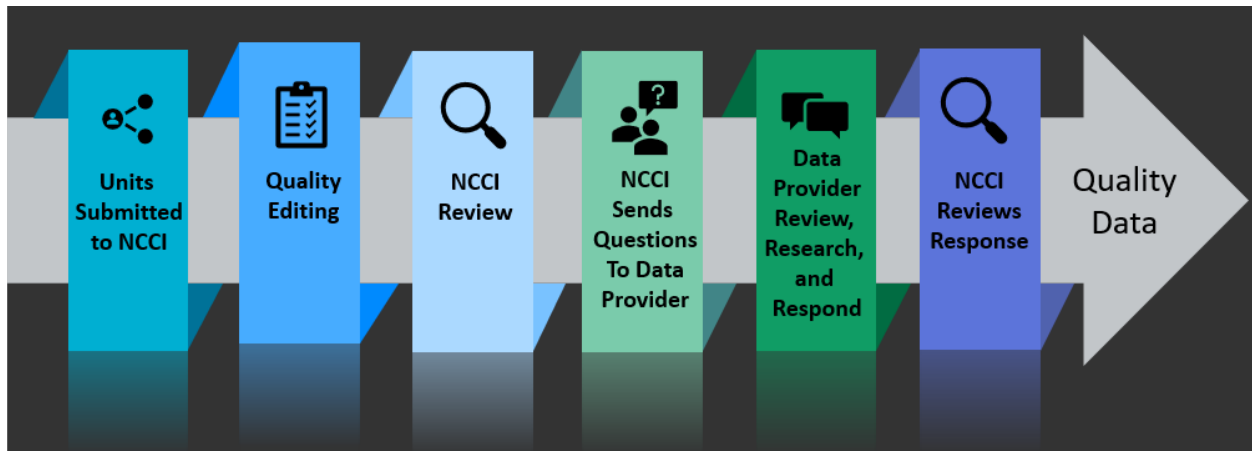


Purpose of Unit Validation

Units are examined for:

- Accuracy—Have the payroll and/or claims been assigned to the correct class?
- Completeness—Have all the claims been reported?
- Reasonability—Is it reasonable to report a death injury type code with a part, nature, cause showing a finger laceration?
- Validity—Is it legitimate to receive three identical units, all with the same class and payroll?

Unit Edit and Validation Process





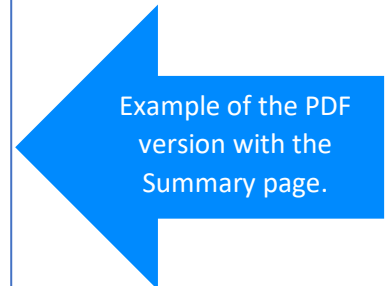
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Validation Edits

Statuses of submission and post-submission edits are provided in **UDC**.

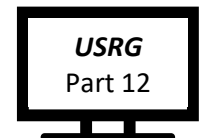
Unit Submission Results Report

Unit Submission Results Report										
Coverage Provider Group ID: 45856 - NCCI TRAINING COMPANY										
Submission ID: 3174402										
Policy Number	Pol Eff Dt	State	Insured Name	Rpt Nbr	Corr Seq Nbr	Data Grade	Record in Error	Field in Error	Edit Nbr/Type Code	Reported Value
WC1274158	02/01/2019	01-AL	REPORT EXAMPL INC	1	0	5	L	CLASSIFICATION CODE	0282-14	8010
Edit Message / Validation Desc: CORRESPONDING EXPOSURE CLASSIFICATION CODE IS MISSING FOR THIS LOSS RECORD										
WC2385269	02/17/2019	09-FL	REPORT EXAMPL LLC	1	0	2	H	ESTIMATED EXPOSURE INDICATOR	0068-02	Y
Edit Message / Validation Desc: CORRECTION REPORT WITH AUDITED EXPOSURE IS REQUIRED										



Unit Edit Matrix

UNIT STATISTICAL EDIT AND VALIDATION MATRIX—PRODUCTION (September 4, 2020 Release)						
Record Type	Edit Number/Type Code	Data Grade	Data Field	Edit Message/Validation Description	Edit Description/Validation Summary	Report Type
5	0282-14	5	Class Code	CORRESPONDING EXPOSURE CLASS CODE IS MISSING FOR THIS LOSS RECORD	The loss Class Code on the incoming unit must have a corresponding exposure Class Code with nonzero exposure amount when there is nonzero loss or Paid ALAE amounts. EXCEPTION: Loss Class Codes where exposure amounts are not applicable. Associated Net Edit 0282-18	All





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Unit Data Grades

All edits have data grades, which help identify the severity of the edit and potential corrective action you may need to take.

Data Grade	Description	Corrective Action
0	Error Free	None
1	Informational	Correction is not required
2	Suspect	Correction and/or explanation may be required
3	Default	A correction is required if NCCI's default value is incorrect
4	Priority	Correction is required
5	Priority/ Critical	For 1st reports, a correction or replacement is required. For subsequent and prior correction reports, a correction is required.
9	Reject	Correct the issue and resubmit

Chapter 5: Responding to Edits

Submission Results Report Email

Dear Dep Eighteen Trainer:

Your report is available resulting from the below file submission:

Coverage Provider Group ID: 45856
File Name: unit25e.dnpc821.u1.txt
User ID: 1299671
User Name: Dep Eighteen Trainer
Submission ID: 3418550

Your Submission Details are listed below

Number of units with Reject edits (DG 9): 0
Number of units with Non-reject edits and suspect conditions (DG 2, 3, 4, 5): 219

[Please click this link to retrieve your report via the *Data Reports* tool.](#)

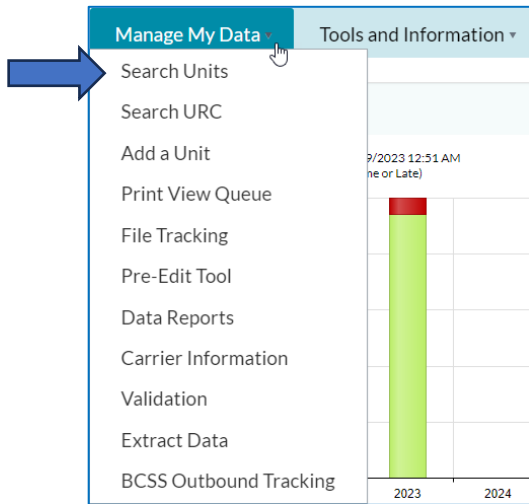
You are receiving this e-mail as a data customer of NCCI. Please do not respond to this system-generated e-mail. If you have questions or feel that you have received this e-mail in error, please contact [Customer Service](#) (reference this Submission ID: 3418550).



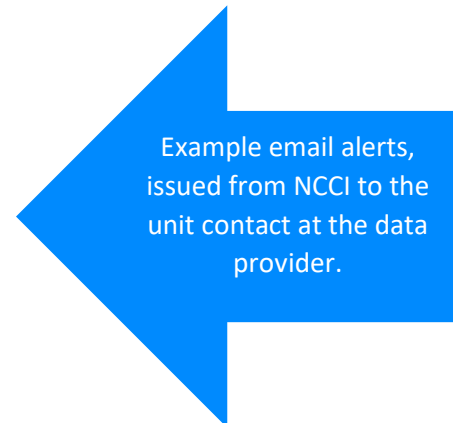
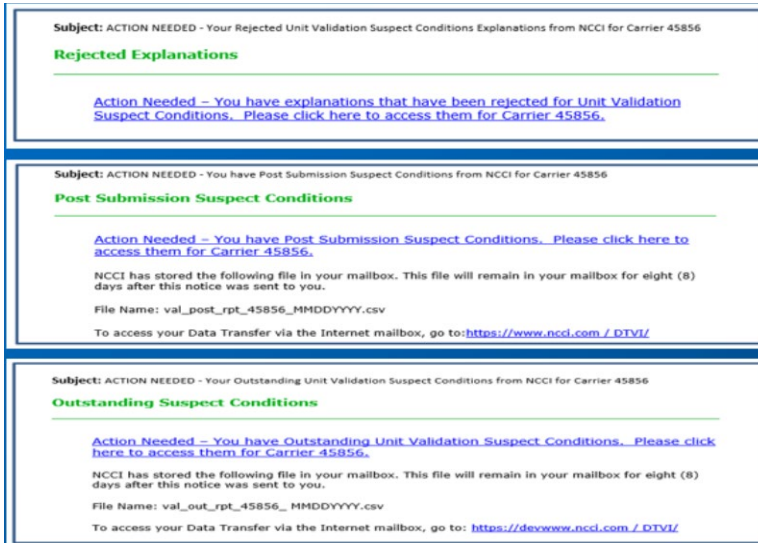
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Unit Data Collection Tool

Search Units lets you find and research units that received edits.



Validation Edit Alert Email





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Validation Feature in UDC

The primary method of communication used between data providers and NCCI to address suspect conditions.

Data Provider Process

Review	Research	Respond
Suspect conditions in the validation feature of UDC	Internal systems and compare with NCCI's Statistical Plan and Unit Statistical Reporting Guidebook	Submit corrections as needed and/or a detailed explanation



Data Provider Partners

You may need to reach out to your company partners to research.

- Claim Administration
- Premium Audit
- Third Party Administrator
- Underwriting Department

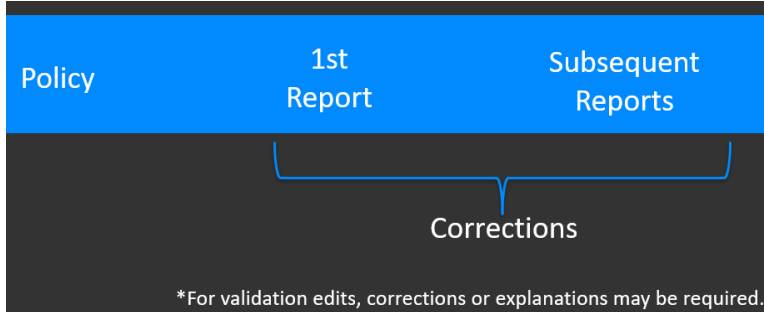


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Knowing that all suspect conditions have a due date, we recommend sharing the information as soon as possible to ensure that they have sufficient time to review the data.

Chapter 6: Correction Reports

Types of Unit Reports



Correction Reports

Revised Previously reported data.

Use the appropriate Correction Type Code

- H—Header
- E—Exposure
- L—Loss
- M—Multiple
- A—Aggravated Loss

Correction Reports

- Use the appropriate Correction type code
- Use the proper Correction Sequence Number
- Use the appropriate Update Type Code
 - P and R
 - A, C, or D

When to Report Corrections

	Unit previously reported with error(s)		Previous (undetermined) Part of Body Code was determined
	Subrogation Recovery/ Second Injury Fund Reimbursement		Final audit completed
	Claim determined to be noncompensable		Claim determined to be fraudulent

When Not to Report Corrections

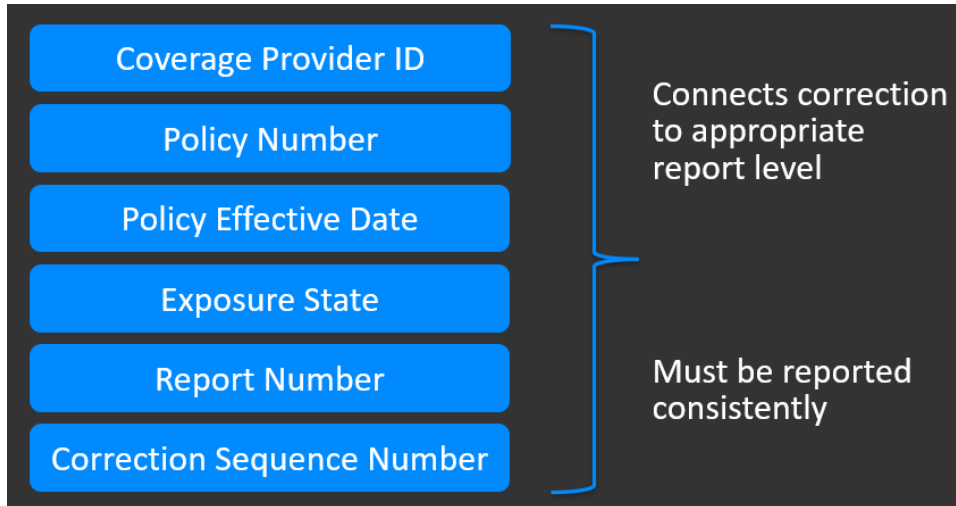
- Loss Development
 - E.g., loss values that changed after the valuation date
 - Changes in reserves or amounts paid
- Change in Injury Type



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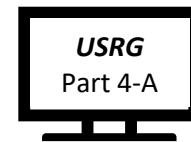
- E.g., injury type 6 becomes a 5

Link Data

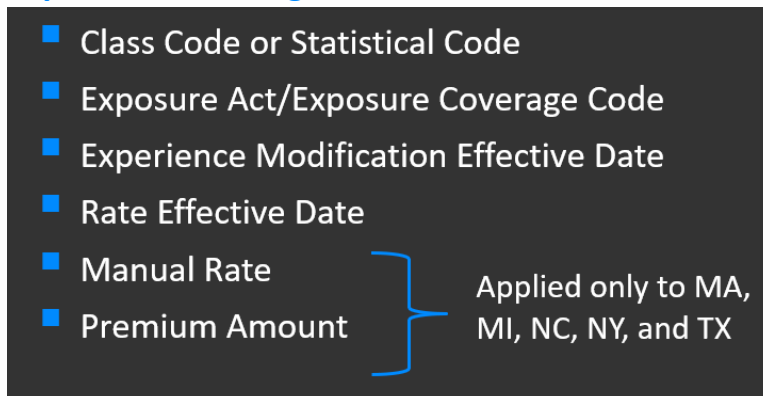


Exposure Record Corrections

- Accepted 1st report level only
- Incorporates matching fields to tie corrections to 1st reports
 - Class Code or Statistical Code
 - Exposure Act/Exposure Coverage Code
 - Experience Modification Effective Date
 - Rate Effective Date



Exposure Matching Fields



What are some reasons a correction could reject?

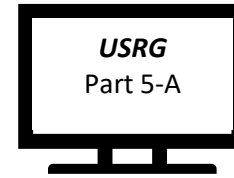
- Duplicate records
- Unmatched unit



Data Now Program (DNP) Fundamentals of Unit Statistical Data Reporting and Validation

Loss Record Corrections

- Can be reported at any report level
- Incorporates matching fields to tie corrections to first reports
 - Claim Number
 - Accident Date
- Class code reported for claim must be included in payroll



Loss Matching Fields

- Claim Number
 - Accident Date
 - Loss Condition Code: Act
 - Loss Condition Code: Type of Loss
 - Loss Condition Code: Type of Recovery
 - Loss Condition Code: Type of Claim
 - Vocational Rehabilitation Indicator
 - Jurisdiction State Code
- One or more of these additional fields may apply to MD, TX, and VA units; see the *Unit Statistical Reporting Guidebook*, Part 5-A for details

What are some reasons a correction could reject?

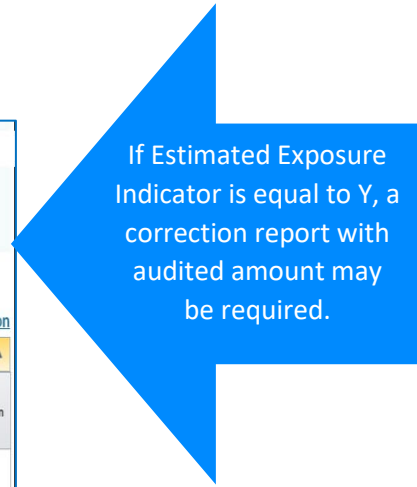
- Duplicate records
- Unmatched unit

Chapter 7: Addressing Edits

Standard Validation Edit 0068-02 in UDC

This example addresses potential suspect estimated exposure.

DNP TEST, INC.											
Pol Nbr	Pol Eff	State	Rpt Nbr	Curr DG							
NCCI12345	06/27/18	MA-20 URC	3	2							
Carrier											
99999											
Return to Validation											
Outstanding Unit Edit / Validation View											
Record DG	Int/Ext	Record Type	Rpt Nbr	Corr Seq	Field Name	Edit Nbr/Type Code	Edit Msg/Validation Desc	Reported Value	Defaulted Value	Explanation Journal	
2	E	H	1	2	ESTIMATED EXPOSURE INDICATOR	0068-02	CORRECTION REPORT WITH AUDITED EXPOSURE IS REQUIRED	Y			



If Estimated Exposure Indicator is equal to Y, a correction report with audited amount may be required.

Research: Determine if the exposure is truly estimated or not.

Respond: In this case the indicator should be “N”, therefore, submit a header correction



Data Now Program (DNP) Fundamentals of Unit Statistical Data Reporting and Validation

Submission Validation Edit L303 in UDC

This example addresses a suspect permanent total disability claim that appears inconsistent.

DNP TEST, INC.										
Pol Nbr	Pol Eff	State	Rpt Nbr	Curr DG						
NCCI12345	02/01/17	MA-20 LRC	4	2						
Carrier 99999										
Return to Validation										
Outstanding Unit Edit / Validation View										
Record DG	Int/Ext	Record Type	Rpt Nbr	Corr Seq	Field Name	Edit Nbr/Type Code	Edit Msg/Validation Desc	Reported Value	Defaulted Value	Explanation Journal
2	E	L	2	1	VALIDATION LOSS CONDITIONS Status: OPEN	L303	Claim Nbr: TEST123 Accident: 12/4/17 CLAIMS ARE REPORTED WITH PERMANENT TOTAL DISABILITY AND SUSPECT INCURRED AMOUNTS	Inj Type 0 2, Incur Ind em 46959, Incur Med 10091		

Rpt Nbr	Corr Seq	Clin Nbr								
1	1	TEST123								
Type Code L303 - CLAIMS ARE REPORTED WITH A PERMANENT TOTAL INJURY TYPE BUT HAVE SUSPECT INCURRED AMOUNTS AND/OR MEDICAL AMOUNT.										
Explanations History										
Condition Status	Rpt Nbr	Corr Seq	Date	Explanations	User					
CLEARED	1	1	5/15/2020 2:21:16 PM	Suspect Condition Cleared.	Data Provider					
10 items per page 1-1 of 1 items										

Research: Review the injury type and incurred indemnity amount reported on the claim to determine if they are accurate at the suspect report level.

Respond: In this case, a correction was submitted to revise the claim and resolved the edit. The Explanation Journal shows that the suspect condition was cleared.



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C821 Post-Submission Validation Edit in UDC

This example addresses unusual exposure and/or claim development.

DNP TEST, INC.											
Pol Nbr NCC12345	Pol Eff 11/22/20	State VT-44	URC	Rpt Nbr 1	Curr DG 0						
Carrier 99999											
Header/Name Exposure Claim Total History Validation											
C821 Export Results											
Condition Created: 04/03/23 Status: ACCEPTED											
Carrier	Pol Nbr	Pol Eff	Class Code	Expos Amt	Premium Amt	Indem Claim Count	Med Claim Count	NCCI Comments	Status	Due	Explanation Journal
NCC12345	11/22/20	2721	50,962	18,316	1	2	THE NUMBER OF CLAIMS REPORTED IN CC2721 APPEAR HIGH, GIVEN THE AMOUNT OF PAYROLL FOR THE 2020 POLICY. PLEASE PROVIDE A DETAILED EXPLANATION FOR THE IDENTIFIED SUSPECT REPORTING ON THE 2020 POLICY. OR	ACCEPTED			

Rpt Nbr 1	Corr Seq 0	Class Cd 2721									
Type Code C821 - THE DISTRIBUTION OF CLAIMS APPEARS SUSPECT COMPARED TO THE EXPOSURE AMOUNT IN THE CLASS											
Explanations History											
Condition Status	Rpt Nbr	Corr Seq	Date	Explanations	User						
ACCEPTED	1	0	5/4/2023 8:48:19 AM	Data Provider explanation accepted.	NCCI						
PENDING AT NCCI	1	0	5/3/2023 6:56:14 PM	The auditor's worksheet has been reviewed. All claimants correctly classified to code 2721. Payroll has been reviewed and is correct. Due to the high risk nature of this occupation, higher loss experience compared to total payroll.	Data Provider						
OPEN	1	0	4/3/2023 2:45:41 PM	THE NUMBER OF CLAIMS REPORTED IN CC2721 APPEAR HIGH, GIVEN THE AMOUNT OF PAYROLL FOR THE 2020 POLICY. PLEASE PROVIDE A DETAILED EXPLANATION FOR THE IDENTIFIED SUSPECT REPORTING ON THE 2020 POLICY. OR SUBMIT CORRECTIONS. IF THE CLAIMS ARE REPORTED IN THE CORRECT CLASS CODE, PLEASE PROVIDE A DETAILED EXPLANATION FOR THE AMOUNT OF PAYROLL IN ALL REFERENCED CLASS CODES FOR THE 2020 POLICY PERIOD.	NCCI						
10 Items per page											1 - 3 of 3 Items

Research: Determine if the payroll and claims reporting is accurate for the unit.

Respond: In this case, a detailed explanation was provided which satisfied the suspect condition. The data provider's response was accepted in the Explanation Journal.



Data Now Program (DNP) Fundamentals of Unit Statistical Data Reporting and Validation

L284 Post-Submission Validation Edit in UDC

This example addresses unusual claim development.

DNP TEST, INC.												
Pol Nbr NCCI12345		Pol Eff 09/30/17		State CT-06 URC		Rpt Nbr 5		Curr DG 0				
Carrier 99999												
											Return to Validation	
Outstanding Unit Edit / Validation View												
Record DG	Int/Ext	Record Type	Rpt Nbr	Corr Seq	Field Name	Edit Nbr/Type Code	Edit Msg/Validation Desc			Reported Value	Defaulted Value	Explanation Journal
2	E	L	2	0	VALIDATION LOSS CONDITIONS Status: Rejected	L284	Claim Nbr: TEST123 Accident: 01/1/18 Contributor-Ratemaking Validation					

Rpt Nbr 4		Corr Seq 1		Cln Nbr TEST123	
Type Code L284 - CONTRIBUTOR RATEMAKING VALIDATION					
Explanations History					
Condition Status	Rpt Nbr	Corr Seq	Date	Explanations	User
Rejected	4	1	5/1/2023 4:45:50 PM	Please provide a detailed explanation to support the injury type reassignment.	NCCI
PENDING AT NCCI	4	1	4/28/2023 8:00:43 PM	Correct as reported	Data Provider
OPEN	4	0	4/11/2023 5:46:00 PM	Injury type reassignment from 01-Death to 06-Medical Only appears suspect. Please provide a detailed explanation to support the suspect reporting or submit corrections.	NCCI

Research: Review the information requested from the edit. This request is specifically about claims so you may want to reach out to Claims department or perform research by looking at your internal systems for accuracy.

Respond: In this case, the data provider did not provide enough detail to explain the suspect reporting. The response was rejected in the Explanation Journal and additional information was requested.

Chapter 8: Data Quality

Impact of Data Reporting

- Volume of data and the impact to class ratemaking
 - Anomalies within larger pools of data may not be as impactful.
 - Anomalies within smaller pools of data may have significant impact
- Larger pools of data can absorb more fluctuations than smaller pools of data.



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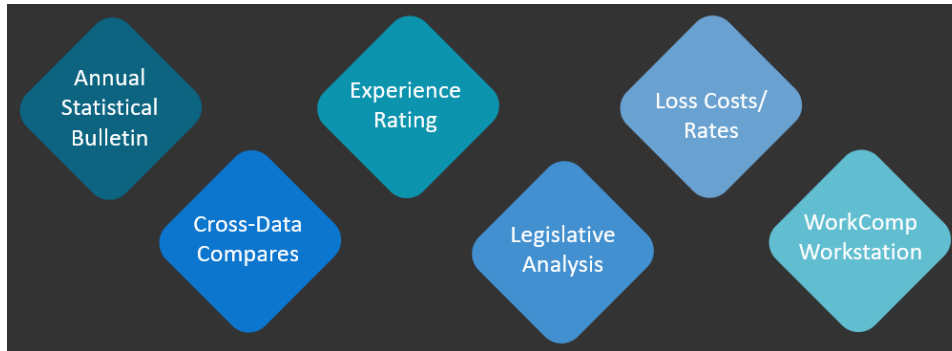
Common Causes of Data Anomalies

- New to unit statistical data reporting
- Simple human error
- System changes
- Unfamiliar with reporting rules

Unit Data Compliance Programs

- ***Data Quality Incentive Program (DQIP)***
- ***Data Quality Report Program (Carrier Report Card)***
- ***Data Quality Remediation Program***
- ***Regulator Exception Program***

What is the most important NCCI product that your company uses?



Chapter 9: Additional Resources

- Unit Statistical Data Reporting Page
- Data Reports tool
- Learning Center
- Show Me How Videos
- Customer Service
- Assigned Data Validator

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