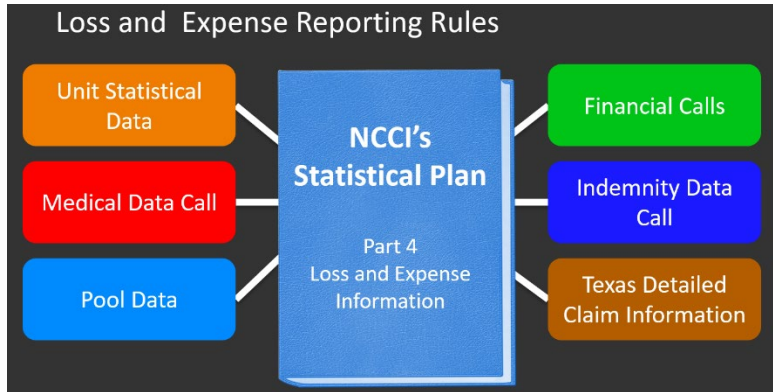




Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

Resources



- NCCI's **Statistical Plan**
 - Contains loss and expense reporting rules
 - National rules applicable to NCCI states
 - State exceptions may apply
 - Refer to Independent Bureau Statistical Plans for rules in those states
- **Unit Statistical Reporting Guidebook**
 - Includes additional Information and examples
 - Contains the Edit Matrix

Chapter 1: Loss Data Components

The gross incurred loss is the full value of the claim, which must be reported. It equals the sum of all paid and outstanding indemnity and medical amounts as of the valuation date.

Incurred Losses		Expenses	
Indemnity Incurred Loss (Paid and Outstanding)	Medical Incurred Loss (Paid and Outstanding)	Allocated Loss Adjustment Expenses (ALAE)	Unallocated Loss Adjustment Expenses (ULAE)

Indemnity Loss

Indemnity Loss is the Indemnity related expenses incurred for the benefit of the claimant, or that the carrier is required to produce for the benefit of the claimant.

- Expenses Benefiting the Claimant
- Claim Reserves
- Compensation Benefits
- Employers Liability Losses and Employer Liability Allocated Loss Adjustment Expense (ALAE)
- Claimant Attorney Fees
- Awards





Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

- Penalties for Delays in Compensation Payments (beyond carrier's control)

Vocational Rehab (Return-to-Work) Expenses

- Testing
- Job Placement
- Schooling
- Evaluation

Medical Loss

The medical portion of a claim includes:

- Expenses Benefiting the Claimant
- Claim Reserves
- Doctor and Hospital Payments
- Impartial Examinations
- Other Medical Items
- Bonuses or Return-to-Work Incentives

Physical Rehab Expenses

- Medical activities to achieve maximum medical recovery
- Provided by medically trained personnel
- Evaluations, therapies, consultations, and coordination of services

Expenses Excluded from Indemnity or Medical Losses

Loss adjustment expenses incurred for the benefit of the carrier

- Allocated Loss Adjustment Expense (ALAE)
- Unallocated Loss Adjustment Expense (ULAE)

ALAE

Allocated Loss Adjustment Expenses (ALAE) are excluded from the loss but are reported separately in the unit reports.

ALAE includes:

- Expenses allocated to a specific claim
- Attorney fees (staff or hired)
- Medical cost containment
- Court expenses, dispute resolution
- Claim expenses required by statute or regulation





Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

ULAE

Unallocated Loss Adjustment Expenses (ULAE) are excluded from losses and is not directly allocated to a claim.

ULAE includes, but not limited to:

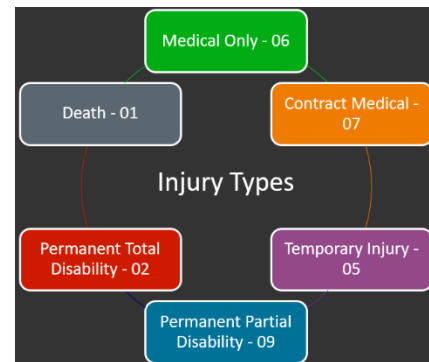
- Carrier Employee Salaries, Overhead, Travel
- Fees Paid to Independent Claim Services or Attorneys (Performing Claim Adjuster Duties)
- Penalties for Delays in Making Compensation Payments (within the carrier's control)



Chapter 2: Claim Injury Fields

Injury Types

- Carrier's estimate of the ultimate injury type of the claim
- Jurisdictional law
- Determined as of each valuation date
- Loss development
- Does not have to correspond to the type of benefit being paid as of the valuation date



Injury Type Code Validation Edits

Validation Edit Number	Description
L203	Claim is reported as death claim at one report level and as non-death claim at a subsequent report level
L202	Death claim is reported with vocational rehabilitation at one or more report levels
L201	Death claim is reported with low incurred indemnity at the 1st and/or subsequent report levels
L242	Medical-only claims display high incurred amounts at the 1st and/or subsequent report levels
L301	Frequency of fatal and/or permanent total claims appears suspect
L302	Claims are reported with a permanent total injury type and low incurred indemnity
L303	Claims are reported with a permanent total injury type but have suspect incurred amounts and/or medical amount
L304	Claims have been reassigned between permanent total and temporary total or permanent partial with suspect indemnity development
L306	A claim review across multiple report levels is required for suspect indemnity development and injury type coding from permanent partial to temporary total disability



Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

Injury Type Code Standard Edits

Standard Edit Number	Description
0101-03	Data is invalid based on the exposure state for the accident date
0101-04	Medical only claim cannot have indemnity losses
0101-06	Indemnity claim reported without incurred indemnity amount

Injury Description Code



Part of Body—identifies the specific body part affected by the injury that is the most significant contributor to the expected overall cost of the claim.

Nature of Injury—identifies the type of injury for a given claim.

Cause of Injury—identifies the cause of the injury for a given claim.

Note: The Part of Body Code may change from one report level to the next.

Changes to Part of Body Code are considered loss development and are reported on a going-forward basis (exceptions may apply).

Part of Body Code 65

- Part of Body Code 65 (Insufficient Information to Properly Identify)—Unclassified
- Correction reports submitted to all applicable unit report levels



Note: Once the specific Part of Body Code is determined, submit correction reports with the appropriate Part of Body Code for all applicable unit report levels.



Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

Injury Description Code Validation Edits

Validation Edit Number	Description
L802	Claims reported with injury descriptions with unlikely to result in death
L803	Part of Body and Nature of Injury code combinations appear invalid
L804	Part of body coding is inconsistent across report levels

Injury Description Code Standard Edit Examples

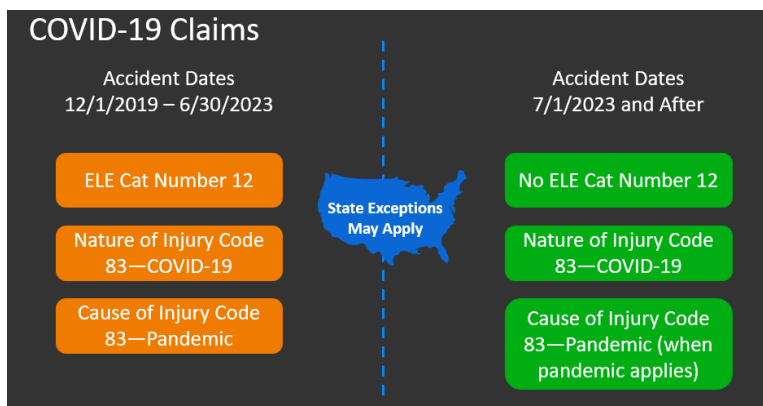
	Report Level	Part of Body	Nature of Injury	Cause of Injury	Edit
Data Grade 5	2	65	52	56	0098-05
	1	42	52	56	0098-06
	Report Level	Part of Body	Nature of Injury	Cause of Injury	Edit
Data Grade 4	2	65	52	56	0098-07
	1	65	52	56	0098-08

Knowledge Check

True or False:

- Your go-to resource for reporting rules is the Unit Statistical Reporting Guidebook. **True** or **False**?
- The Injury Type Code is the carrier's estimate of the ultimate injury type of the claim. **True** or **False**?
- The Injury Type Code could change from one report level to the next. **True** or **False**?
- Standard unit edits allow you to provide an explanation for the data. **True** or **False**?

Chapter 3: Additional Loss Reporting Rules





Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

At this time, Florida requires the reporting of ELE Catastrophe Number 12, Nature of Injury 83, and Cause of Injury 83.

Single-Claim Reporting

One claimant with multiple coverages

WC and EL	State and USL&HW Acts
<ul style="list-style-type: none">Combine WC and EL loss amountsType of Claim Code 03 (WC and EL)	<ul style="list-style-type: none">Combine State and Federal loss amountsLoss Condition Act Code 02—USL&HW Act

Statistical Plan: Part 4-F

Single claim reporting applies when there is accident with one claimant with losses reportable under different coverages or benefits.

Not-Reportable Claims

- Claims closed as of the 1st unit report with
 - Zero payments
 - Zero ALAE

An ALAE claim is reportable
- Claims with
 - Accident dates outside of the policy period
 - No corresponding exposure

Required to be paid due to an official ruling

Statistical Plan: Part 4-F



Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

Chapter 4: Deductibles

Deductible Programs

- Policy optional feature and share of losses
- State-specific and filed by NCCI or insurer
- Premium credit and/or reduce losses in experience rating calculation
- Small versus large deductible amounts
- Gross versus net deductible programs

NCCI's **Unit Statistical Reporting Guidebook** contains a large section that lists the NCCI's small deductible programs by state, with their amounts, and the associated code values.

Deductible Reporting Fields

- Type of Deductible Code
- Type of Deductible Plan Code
- Deductible Amount Per Claim/Accident or Deductible Amount Aggregate or Deductible Percentage
- Deductible Premium Credit - Statistical Code
- Deductible Reimbursement Amount

State Reporting

D. NCCI Small Deductible Programs						
1. Alabama						
Alabama Small Deductible Programs						
Effective Date	Type of Deductible (Code)	Header Record Type of Plan (Code)	Deductible Amount Per Claim/Accident	Exposure Record Statistical Code	Experience Rating Net or Gross Deductible Program	Less Record Deductible Reimbursement Amount
09/01/91	Indemnity and Medical (03)	Per Claim (01)	\$100, 200, 300, 400, 500, 1,000, 1,500, 2,000, 2,500	9664	Net	Report as applicable
2. Arizona						
Arizona Small Deductible Programs						
Effective Date	Type of Deductible (Code)	Header Record Type of Plan (Code)	Deductible Amount Per Claim/Accident	Exposure Record Statistical Code	Experience Rating Net or Gross Deductible Program	Less Record Deductible Reimbursement Amount
04/01/03	Indemnity and Medical (03)	Per Claim (01)	[Deductible amounts are not specified in Arizona statutes]	9664	Gross	Report "0"

Unit Statistical Reporting Guidebook: Part 8

Employer-Paid/Compensation Reimbursement Programs

- Idaho Compensation Reimbursement Option
- Missouri Employer-Paid Medical Program (Medical-Only Claims)
- Oregon Employer Paid Medical Claims

Unit Statistical Reporting Guidebook: Part 9



Data Now Program (DNP) Reporting Complex Claims and Losses for Unit Statistical Data

Recap

- Reporting of loss amounts, injury types, and injury description codes are all relative
- Calculating Net Incurred is fundamental for subrogated and special fund reimbursed claims
- Code values for Type of Recovery, Type of Settlement, and Fully Fraudulent Claim
- Report code values on applicable report levels
- Do not change loss values for noncompensable and fully fraudulent claims

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.