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# Residual Market Forum



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2026

# Carrier Audit Services Update

**Dawn Johnson**

Director, Carrier Audit Services  
NCCI



# Agenda



2025 Carrier Audit  
Services  
Year in Review



2026 Carrier Audit  
Topics of Interest



Reminders

# 2025 Carrier Audit Services Year in Review



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# 2025 Carrier Audit Services Year in Review

- Aggressive Audit Schedule With Ultimate Goals:
  - Maintain a healthy and stable residual market
  - Ensure fairness to all carriers
  - Make compliance as easy and straightforward as possible
- Lessons Learned



# 2025 Carrier Audit Services Year in Review (continued)

- Visitations for Plan State Oklahoma
- Staff Changes
- ***Carrier Audit Program (CAP)*** Enhancements
  - Questionnaires and quantifications
  - Behind the scenes



# 2026 Carrier Audit Topics of Interest



**TOPICS OF  
INTEREST**

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# 2026 Carrier Audit Topics of Interest

- Self-audit and Servicing Carrier Operations Reporting (SCOR) attributes and results
- Performance Standard 1.C.6 Determination of Compliance



# SCOR Carrier Results Report Changes

† Rating	Compliance Percentage			
	Commendable	Satisfactory	Marginal	Unsatisfactory
10-19	90-100	80-89	70-79	0-69
20-39	95-100	85-94	75-84	0-74
40-9999	95-100	87-94	80-86	0-79

## Information

### † Rating/Compliance Percentage

- The N/A (Not Applicable) rating indicates that CAP received no samples for the attribute so there is no rating. The compliance percentage is N/A (Not Applicable).
- The N/R (Not Rated) rating indicates that CAP received samples for the attribute but not enough to provide a rating.

### SCOR Results

- CAP found no data for the following state(s): AZ, DC, ID, IA, NH, NJ, NC, SD, VT, WV
- Only states with data for a given quarter are in the All-States Summary results.

All-States Summary	1Q2025	4Q2024	3Q2024	2Q2024	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	4Q2022	3Q2022	2Q2022
Attribute	Compliance Percentage†											
Underwriting - Policy Issuance	100%	100%	100%	100%	100%	100%	100%	100%	100%	99%	100%	100%
Underwriting - Additional Premium Endorsements	91%	92%	92%	96%	92%	95%	97%	95%	100%	95%	96%	97%
Underwriting - Cancellation for Nonpayment of Premium	N/R	93%	88%	93%	100%	100%	100%	100%	N/R	95%	100%	100%
Premium Audit - Preliminary Audit	N/R	76%	100%	100%	N/R	N/R	N/R	81%	N/A	92%	96%	85%
Premium Audit - Final Physical Audit	100%	98%	95%	96%	96%	95%	91%	94%	94%	95%	98%	97%
Loss Prevention - Survey Completion	100%	100%	100%	100%	100%	100%	100%	100%	N/A	100%	100%	100%
Loss Prevention - Recommendations	100%	100%	100%	100%	100%	N/R	100%	100%	N/A	100%	100%	100%
Loss Prevention - Recommendation Follow-up	N/A	N/R	N/A	N/R	N/R	N/A	N/A	N/A	N/A	N/R	N/R	N/A
Claims - Three-Point Contact	100%	100%	100%	100%	100%	91%	100%	100%	N/R	100%	100%	100%
Claims - Investigation Substantially Completed	84%	95%	97%	100%	94%	92%	96%	100%	N/R	96%	94%	100%
Customer Service - Current Complaints	N/R	N/R	N/A	N/R	N/A	N/R	N/R	N/R	N/A	N/A	N/A	N/A

Alabama	1Q2018	4Q2017	3Q2017	2Q2017
Attribute	Compliance Percentage†	Compliance Percentage†	Compliance Percentage†	Compliance Percentage†
Underwriting - Policy Issuance	100%	100%	100%	91%
Underwriting - Additional Premium Endorsements	92%	93%	86%	94%
Underwriting - Cancellation for Nonpayment of Premium	N/R	N/R	N/R	N/R
Premium Audit - Preliminary Audit	N/R	N/R	N/R	N/R
Premium Audit - Final Physical Audit	100%	100%	100%	100%
Loss Prevention - Survey Completion	100%	100%	100%	N/R
Loss Prevention - Recommendations	N/R	100%	100%	N/R
Loss Prevention - Recommendation Follow-up	N/A	N/R	N/A	N/A
Claims - Three-Point Contact	N/R	N/R	N/R	N/A
Claims - Investigation Substantially Completed	N/R	N/R	N/R	N/A
Customer Service - Current Complaints	N/A	N/A	N/A	N/A

# 2026 Carrier Audit Topics of Interest (continued)

- On-site audit uncollectible data
- Additional premium endorsement requirements
- Preliminary Physical Audits (PPA) and Loss Prevention Surveys (LPS)



# Reminders



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# Some Reminders

- New Record Layout Requirements
- Self-Audit Publish Notification
- Self-Audit—Use the Comments Box
- Cancellation Status
- Bid Enhancements
- Quantifications



# Self-Audit Publish Notification

Your company's SERVING CARRIER NAME 2025 National Pool NCCI Self-Audit is ready for you to complete at [ncci.com](https://ncci.com).

National Pool NCCI Self-Audit must be submitted by **XX/XX/XXXX**.

**The scope of this self-audit ends on the date of this email. Please do not include any transactions or activity that occur after this date.**

You will not be allowed to submit your company's completed National Pool NCCI Self-Audit to NCCI until all corrective action plans are completed (if any).

When completing the self-audit, be mindful of the items below and share with the appropriate staff:

- **Headers:** Update the editable fields in the policy and claim header sections, as needed. Update the cancellation/expiration date field if the policy was cancelled mid-term and did not reinstate.
- **Bypass Function:** Bypasses are acceptable when appropriate; however, the bypass option **CANNOT** be reversed once selected. If the reason for the bypass is not listed in the dropdown, please select "Other" and provide the reason in the comment section.
- **Comment Section:** To minimize follow-up, take advantage of the comment section to provide additional information and clarification needed to support your response.
- **Lapsed Policies:** If the selected policy is a portion of a lapsed policy, include activity from **BOTH** segments in your responses. Document all corresponding policy numbers and policy periods in the comment section for reference.
- **Carrier Bid Enhancements:** The questions are based on performance standards and are NOT carrier specific. Please consider all carrier-specific bid enhancements when completing the self-audit.

National Pool late submissions are subject to penalties. Refer to NCCI's *Servicing Carrier Reference Guide 2010 Edition* - Part 2-4-Remediation Program at [ncci.com](https://ncci.com). Penalties will be waived if an extension is requested in writing and approved by NCCI, no later than one week prior to the due date.

Once you submit your completed National Pool NCCI Self-Audit to NCCI, the ratings displayed **ARE FINAL**, unless NCCI emails a notification of follow-up questions.

If you have any questions regarding the National Pool NCCI Self-Audit, you may contact NCCI's Carrier Audit Services via e-mail at [Self\\_Audit\\_Administration@ncci.com](mailto:Self_Audit_Administration@ncci.com).

Thank You,  
NCCI Carrier Audit Services

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Document, Document, Document!



**The Cardinal Rule**  
= "If you didn't  
**DOCUMENT IT,**  
you didn't  
**DO IT."**



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# Summary: 2025 Carrier Audit Services Year in Review

- Carrier Audit was busy in 2025
- Visitations for the new plan state of Oklahoma
- **CAP** enhancements



REVIEW

# Summary: 2026 Carrier Audit Topics of Interest

- Self-audit and SCOR attributes
- Determination of compliance Rule 1.C.6
- Refresher on Additional Premium Endorsement standard
- On-site audit uncollectible data
- Determination of completion date for Preliminary Physical Audits and Loss Prevention Surveys

# Summary: Reminders

- Record Layout Changes Effective 1/1/2024
- Self-Audit Publication Notification
- Use Comment Box in Self-Audit
- Cancellation Status Pauses Clock
- We Audit to the Most Stringent Specs
- Quantifications in **CAP**