



Data Now Program (DNP) Researching and Correcting Policy Edits

Chapter 1: NCCI Policy Edit Strategy

- Policy Data is used by NCCI in downstream processes:
 - Proof of Coverage Service
 - Monitors Expected/Overdue Unit Reports
 - Distribution of Experience Rating
 - Administration of Assigned Risk Pools
 - Actuarial Analysis
 - Federal Reporting Compliance Service
- All Policy Data goes through the editing process
- Identified issues are communicated via data reports

Understand NCCI’s editing and data quality strategy better with these resources:

Policy and Proof of Coverage Reporting Guidebook— Editing and Data Quality

Policy and Proof of Coverage Reporting Guidebook
Editing and Data Quality

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A. Purpose

Because policy information serves as the cornerstone for many NCCI products and services, such as Proof of Coverage and experience rating, NCCI’s editing process is critical to ensuring that the data submitted is consistent with reporting requirements and meets quality standards.

Edits are performed on all Policy data submitted to NCCI and indicate if corrective action is required to accurately process the data. Issues identified during the editing process are communicated to the insurer on the Policy Submission Results Report and the Policy Daily Submission Results Report. **NCCI-generated reports** for Policy data can be accessed via the **Data Reports** feature in **Policy Data Collection**. These reports will only be produced if data has been submitted within the applicable time frame for the report. **NCCI-generated reports** are produced on a monthly basis and are available on the first day of the month. They are accessible for up to six months. All other reports are accessible for up to three months.

Carriers are required to review edit results and submit corrected data when applicable. NCCI requires edits to be corrected within 60 days of notification.

Note: South Dakota—Carrier must provide satisfactory evidence of the correction of any error or omission, identified through NCCI’s policy reports, within 60 days.

Refer to the [Data Reports Guide](#) available on [ncci.com](#) for details on policy reports.

Policy and Proof of Coverage Reporting Guidebook— Policy Edit Matrices

Policy and Proof of Coverage Reporting Guidebook
Policy Edit Matrices

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A. Policy Edit Matrix—Production

This Policy Edit Matrix lists all edits and includes details such as Edit Number, Edit Message, and field applicability. This matrix is the most comprehensive resource for information on NCCI’s policy editing and should be used when reviewing policy reports. It is updated to provide the most current editing information.

[View, print, or download](#) the Policy Edit Matrix—Production (downloadable Microsoft® Word doc).

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B. Policy Edit Matrix—Future Enhancements

This matrix lists all edits scheduled for future implementation. It includes details such as Edit number, Edit message, and field applicability. It provides lead time and projected implementation dates for planned changes to policy editing. This lead time can be used for planning purposes.

[View, print, or download](#) the Policy Edit Matrix—Future Enhancements (PDF).



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Policy Data and Proof of Coverage Policy Edits

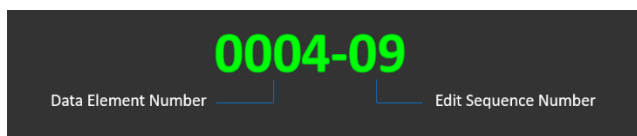
- NCCI Policy Data Edits
 - Performed on all Policy Data
 - Indicates if corrective action is needed
- State Proof of Coverage (POC) Edits—determined by the POC states
 - Specific data elements
 - Compliance issues

Reminder: Policy Data edits can lead to a POC reject.

Chapter 2: Editing Process

Edit Number—unique six-digit identifier NCCI assigns to each edit

- Data Element Number
- Edit Sequence Number



Edit 0004-09 is one of the most common edits that invokes on the Address Record in WCPOLS. This edit will invoke when you report the same address for the mailing address (Address Type 1) and a location of operation (Address Type 2), linking both to the primary name record on the policy. Only one mailing address (Address Type 1) is allowed per policy.

Edit Types

- Field—ensures that the value in each field is acceptable according to submission guidelines
Example: **Edit 0073-01** Experience Modification Status Code field is missing or invalid
- Logical—verifies that the data is reasonable in relation to one or more other fields
Example: **Edit 0240-01** State code link missing or invalid for address type 6
- Relational—compares the data in a specific field with another field contained in the same submission and/or previously submitted data

Example: **Edit 0067-05** Estimated Exposure Amount field is not greater than zero for the corresponding class code with premium reported



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Data Grades

Determine whether the transaction or record will be accepted or rejected. Applicable Policy Data Grades:

Data Grade	Impact on Processing
9	Entire transaction has been rejected. Note: Rejected transactions are retained in NCCI's database for 90 days.
8	Only the invalid record has been rejected. Note: Rejected records are retained in NCCI's database for 8 days for informational purposes only. If the record needs to be resubmitted, resubmit a new transaction with the updated record.
7	POC Critical Error—Transaction/record has been processed by NCCI and the data has been captured as submitted. NCCI will send the data, but the POC state may reject it and impose fines for missing or inaccurate information. You will not be in compliance for these records in the POC state(s) until they are corrected.
6	POC Error—A POC data element was reported incorrectly and is in error. The data has been captured on NCCI's database as submitted. These errors may result in compliance issues with the POC state.
4	A data element was reported incorrectly and is in error. The data has been captured on NCCI's database as submitted. Some Data Grade 4 edits may have POC implications.
3	A data element was reported incorrectly, and NCCI substituted an assumed correct default value for this data element.
2	A data element may have been reported incorrectly and may contain an error.
0	Error Free

With Data Grades 7 through 2, the Data Grade will remain until it is corrected.

Guess the Data Grade

1. Policy has been rejected because a required record such as the primary record or an Address Type 1 was not reported. What type of Data Grade would this policy receive?

Data Grade	State POC Edits	Policy Number	Insured	Carrier	Pol Eff	Pol Rcvd	Status	Delete
	N	20010120009		99990	420356		REJECT	<input type="checkbox"/>
	POC Notice	Plan Type	NonCompliance/Compliance	FEIN	Trans Code	Days Remaining		
	N				01	11		

2. The carrier address reported was not one of the branch addresses listed in our database; therefore, NCCI defaulted the value for this data element. What Data Grade would this policy receive?

Data Grade	State POC Edits	Policy Number	Insured	Carrier	Pol Eff	Pol Rcvd	Status
	N	INSURERFEIN1	MOL BELTING SYSTEMS INC	99990	04/01/20	08/25/21	ACTIVE
	POC Notice	Plan Type	NonCompliance/Compliance	FEIN			
	N	V		382646699			



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Chapter 3: Policy Reports

Two types of Policy Data reports available: NCCI-Generated Reports and Customer-Generated Reports

- NCCI-Generated Policy Reports
 - Distributed on a production schedule
 - Emailed notification will be sent to the file submitter or the data reporting contact on file when the report is ready for pick-up
- Customer-Generated Policy Reports
 - Requested by the data provider using defined parameters
 - Available to view immediately on-screen

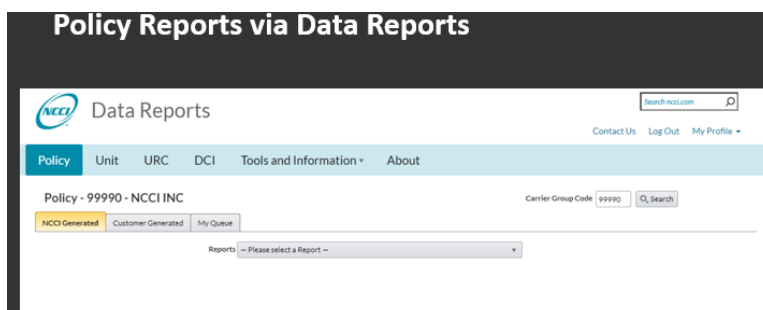
The following are NCCI-Generated Policy Reports:

- Policy Submission Results Report
 - Created upon a file submission and includes edit information on all policy transactions or records in that submission
- Policy Daily Submission Results Report
 - Daily report that includes all policy transactions or records that were submitted the prior day that remain rejected
- Policy Monthly Outstanding Data Grade 7 Report
 - Monthly report that includes policy transactions where one or more records have an outstanding Data Grade 7 edit
- Policy Pre-Edit Service Submission Results Report
 - Includes results of pre-edit file submission to help make any necessary adjustments to your data prior to submitting in production

The following are Customer-Generated Policy Reports

- Policy Reject & Error Report
 - Identifies rejects and errors resulting from customized criteria
- Policy Risk ID Report
 - Provides a list of policies with associated Risk ID

Access Policy Reports via Data Reports:





Chapter 4: Reviewing and Correcting Policy Edits

Two new edits:

Edit 0037-14

- 0037-14 - Statistical code 1111
- **Statistical code 1111 (No Exposure Developed) is not reportable on policy data.**
- Data Grade 8 on Exposure Record (Record Type 05)

Statistical Code 1111 (No Exposure Developed) is only reported on Unit Statistical reports.

Edit 0234-03

- 0234-03 Industry Code
- **Industry Code is missing or invalid**
- Standard Industrial Classification (SIC) No Longer Accepted
- Address Record (Record Type 03)
- Data Grade 4

Find the NAICS codes here: www.census.gov/naics



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One modified edit—changing Data Grade from 3 to 8:

Edit 0079-01

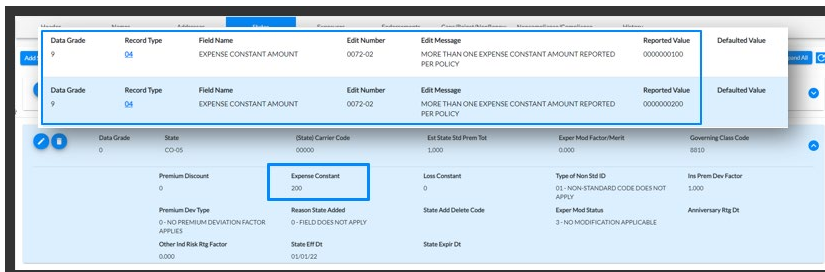
- 0079-01 - Exposure Act Code
- **The Exposure Act Code is blank or contains an invalid value for the exposure state and the policy effective date**
- Exposure Record (Record Type 05)
- Changed Data Grade from 3 to 8

Edit 0072-02

- 0072- 02 Expense Constant Amount
- **Only one Expense Constant Amount can be reported on one State Premium Record on a multi-state policy**
- State Premium Record (Record Type 04)
- Data Grade 9

Edit 0072-02: Only one expense constant amount is applicable to a multistate policy and must be reported for the state with the highest expense constant.

Correcting 0072-02 via **Policy Data Collection**:



- Two expense constant amounts have been reported for policy
- To correct, delete one of the expense constant amounts after determining which state has the highest amount
- Colorado has the highest expense constant amount



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Edit 0073-02

- 0073-02 Experience Rating Modification Factor/Merit Rating Factor Status Code
- **When Statistical Codes 9680, 9884, 9885, 9886, or 9896 are reported and premium amount is greater than 0, then the Experience Modification Factor/Merit Rating Status Code must equal Code 4**
- State Premium Record (Record Type 04)
- Data Grade 3 (Default to Status Code 4)

Edit 0073-02: This edit will default the Experience Modification Factor/Merit Rating Status Code to a 4 when Merit Rating Statistical Codes 9680, 9884, 9885, 9886, or 9896 are reported and the premium amount is greater than 0.

Reviewing 0073-02

In this example, Code 3 was reported in the Experience Modification Factor/Merit Rating Factor field. NCCI changed this to Code 4 because a merit rating factor was reported on the State Premium Record.

Edit 0037-13

- 0037-13 Class Code
- **A Federal Class Code (F-class) or Maritime Class Code must be reported with Exposure Act/Exposure Coverage Code 02 or 08**
- Exposure Record (Record Type 05)
- Data Grade 4

0037-13: This edit looks at the Class Codes reported on the Exposure Records to determine whether they are F- classifications (for exposure under the United States Longshore and Harbor Workers' Act) or Maritime Classifications Program II—USL&H Act Benefits and, if so, NCCI expects to also see their corresponding Exposure Act/Exposure Coverage Code.



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Correcting 0037-13

To correct Data Grade 4, the Exposure Act/Exposure Coverage needs to be reported to reflect the USL&H Exposure Act. Changing the Exposure Act/Exposure Coverage Code to 02 or 08 will clear the edit and Data Grade.

Edit 0253-03

- Policy Estimated Standard Premium Total
- **Policy Estimated Standard Premium Total must equal the sum of all Estimated State Standard Premium Totals reported on the State Premium Records**
- Header Record (Record Type 01)
- Data Grade 4

Edit 0253-03: This edit will invoke when the Policy Estimated Standard Premium Total on the Header Record does not equal the sum of all Estimated State Standard Premium Totals reported on the State Premium Records.

Correcting Edit 0253-03

There are two state premium records reported. The sum of the Estimated State Standard Premium Total does not equal what has been reported in the Header Record.

To correct, determine which amount needs to be changed, either the Header Record or state premium fields.

Additional State Premium Records may need to be reported, if they are missing, to equal the Policy Estimated Standard Premium Total.

Edit 0066-09

- 0066-09 Endorsement Number/Carrier Version Identifier
- **Both the Endorsement Number field and the Carrier Version Identifier field are blank**
- Deductible Endorsement Record (Record Type 43)
- Data Grade 4



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Edit 0066-09: Either the Endorsement Number or the Carrier Version Identifier on the Deductible Endorsement Record (Record Type 43) needs to be populated.

Correcting 0066-09

Header	Names	Address	Status	Exposures	Endorsements	Cancel/Retire/NonRenew	Noncompliance/Compliance	History	
Data Grade	Record Type	Endorsement No	Carrier Ver ID	State	Ends Eff Dt				
0	07-ENDORSEMENT IDENTIFICATION	WC00603		00-00					
Data Grade	Record Type	Endorsement No	Carrier Ver ID	State	Ends Eff Dt				
4	43-DEDUCTIBLE ENDORSEMENT			FL-09	01/01/22				
Losses Sub/Ded	Basic/Ded Cat	Ded %	Ded Per Claim/Acc	Ded App					
01-MEDICAL LOSSES ONLY	00-NO DEDUCTIBLE	10	100	12					

Both the Endorsement Number and Carrier Version Identifier fields are blank.

To correct, report the endorsement number applicable to the policy—either NCCI standard Deductible Endorsement Number WC00603 or the carrier-filed jurisdictionally approved Endorsement Number.

Edit 0004-06

- 0004-06 Address—Street
- An Address type 2 or 6 with the same fields—Address (Street, City, State, Zip Code), Type of Address, Name Link Identifier, Name Link Counter Identifier, and State Code Link—is reported more than once in the same submission
- Address Record (Record Type 03)
- Data Grade 8

Edit 0004-06: This edit will invoke when an Address Type 2 or 6 with the same fields—Address (Street, City, State, Zip Code), Type of Address, Name Link Identifier, Name Link Counter Identifier, State Code Link—is reported more than once in the same submission. One of the records will be kept, and the remaining record(s) will be rejected.

Reviewing Edit 0004-06

Header	Names	Address	Status	Exposures	Endorsements	Cancel/Retire/NonRenew	Noncompliance/Compliance	History	
Data Grade	Address	Address Type Code	St Code Link	Name Link ID	Name Link Counter ID				
0	901 PENNSYLVANIA CORPORATE CIR BOCA RATON FL 33479	1-MAILING ADDRESS OF INSURED	FL-09	001	00				
Data Grade	Address	Address Type Code	St Code Link	Name Link ID	Name Link Counter ID				
0	12345 CLINT MOORE RD BOCA RATON FL 33479	2-ADDRESS OF ALLOCATION OF OPERATIONS	FL-09	002	00				

Data Grade	Record Type	Field Name	Edit Number	Edit Message	Reported Value	Defaulted Value
0	00	ADDRESS- STREET	0004-06	DUPLICATE RECORDS	12345 CLINT MOORE RD	

Two address records with the same information have been reported for the state of Florida.

One address is retained. The duplicate record is rejected with a Data Grade 8.

No correction is required, but we encourage you to review your source system and determine if any changes may be needed.



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Key Takeaways

- Policy Data is used in a variety of downstream processes at NCCI
- The editing process is essential to maintain the quality and availability of Policy Data
- Data reports help you review and make the appropriate corrections to your data
- Ensure that any policy corrections made to data in NCCI's system is also reflected in your source system