

## NCCI Actuarial Committee Update

The NCCI Actuarial Committee meets several times a year to discuss and provide feedback on key NCCI research and ratemaking topics affecting the workers compensation industry. Listed below are topics from the latest meeting.

### February 21, 2019

The Actuarial Committee met on Thursday, February 21, 2019. The major topics covered at this meeting included:

- **NCCI External and Government Affairs Update (ACT-19-04)**  
NCCI continually monitors legislative and regulatory developments at the state and federal levels. At the federal level, activity continues regarding the Terrorism Risk Insurance Program Reauthorization Act of 2015 (TRIPRA of 2015), federal involvement in workers compensation (WC), and healthcare. On both the federal and state stages is the legalization of marijuana. Other hot topics in the states include first responder post-traumatic stress disorder (PTSD) claims, the experience modification factor, and alternatives to traditional WC insurance. At the meeting, staff provided updates on these topics to the Committee.
- **USL&HW Factor Calculation (ACT-19-05)**  
NCCI includes a United States Longshore and Harbor Workers (USL&HW) factor in its annual state experience filings. At the meeting, staff provided information on the USL&HW factors, including background on current factors, and additional indicators under consideration.
- **Hazard Group Update (ACT-19-06)**  
Hazard groups are collections of WC classifications that have relatively similar expected excess loss factors over a broad range of limits and are a key component in a variety of capacities, including the Retrospective Rating Plan and NCCI ratemaking. An update on the progress of a multiyear effort to analyze and update the current hazard group mapping—including the intended methodology—was provided.
- **Monday Claims (ACT-19-07)**  
It is hypothesized that some nonwork-related claims are more likely to have a Monday accident date because these injuries are likely to occur over the weekend rather than on weekdays. Staff used NCCI's Unit Statistical Plan data to evaluate the change in the share of Monday claims before and after the Affordable Care Act (ACA) to see whether the data supports the hypothesis that the share of Monday claims has declined as a result of the Act's implementation.
- **F-class Ratemaking Research (ACT-19-08)**  
Staff has been researching alternatives to the current F-class ratemaking methodology. Current research and proposed methodology changes were presented to the Committee.
- **Underwriting Committee—Committee Update (ACT-19-09)**  
Staff provided an update on topics discussed by NCCI's Underwriting Committee.

## **NCCI Actuarial Committee Update**

- **Actuarial Committee Online Portal—Demo (ACT-19-10)**  
Staff has designed an updated Actuarial Committee portal on **ncci.com** in order to provide a better online experience for our customers. A preview of the new portal was presented at the meeting.
- **Experience Rating Plan Research Update (ACT-19-11)**  
Staff kicked off a project in 2017 to conduct a comprehensive review of the Experience Rating Plan. At the meeting, staff presented the findings from the current mod performance review and the research to date from this project.

Please refer to the minutes for any pertinent meeting discussions and presentations.