

# July 14, 2020—Actuarial Committee Update

The Actuarial Committee met via Web teleconference on Tuesday, July 14, 2020. The major topics covered at this meeting included:

## **ACT-20-04 COVID-19 Pandemic-Forces Influencing Frequency & Severity**

NCCI sought insight into claim compensability as part of monitoring the effects of COVID-19 and possible inclusion in a pandemic catastrophe provision that NCCI is currently exploring. Staff discussed alternative sources of data being considered.

## **ACT-20-05 Texas Methodology Updates**

Staff reviewed a plan, and its impact, to update the actuarial methodologies used to produce loss cost and rating values in Texas.

## **ACT-20-06 The Impact of Fee Schedule Updates on Hospital Outpatient Payments**

Using a regression model, NCCI investigated the relationship between fee schedule updates and payment for hospital outpatient services. NCCI found that a 10% increase in outpatient maximum allowable reimbursement results in a 7.5% increase in payments.

## **ACT-20-07 Large Loss Behavior**

NCCI presented the results of an update to the periodic review of large loss development patterns by size of loss across a broad array of experience and development periods, adding four calendar years of large loss experience to the latest study (2016).

Please refer to the Minutes for any pertinent meeting discussion and presentations.