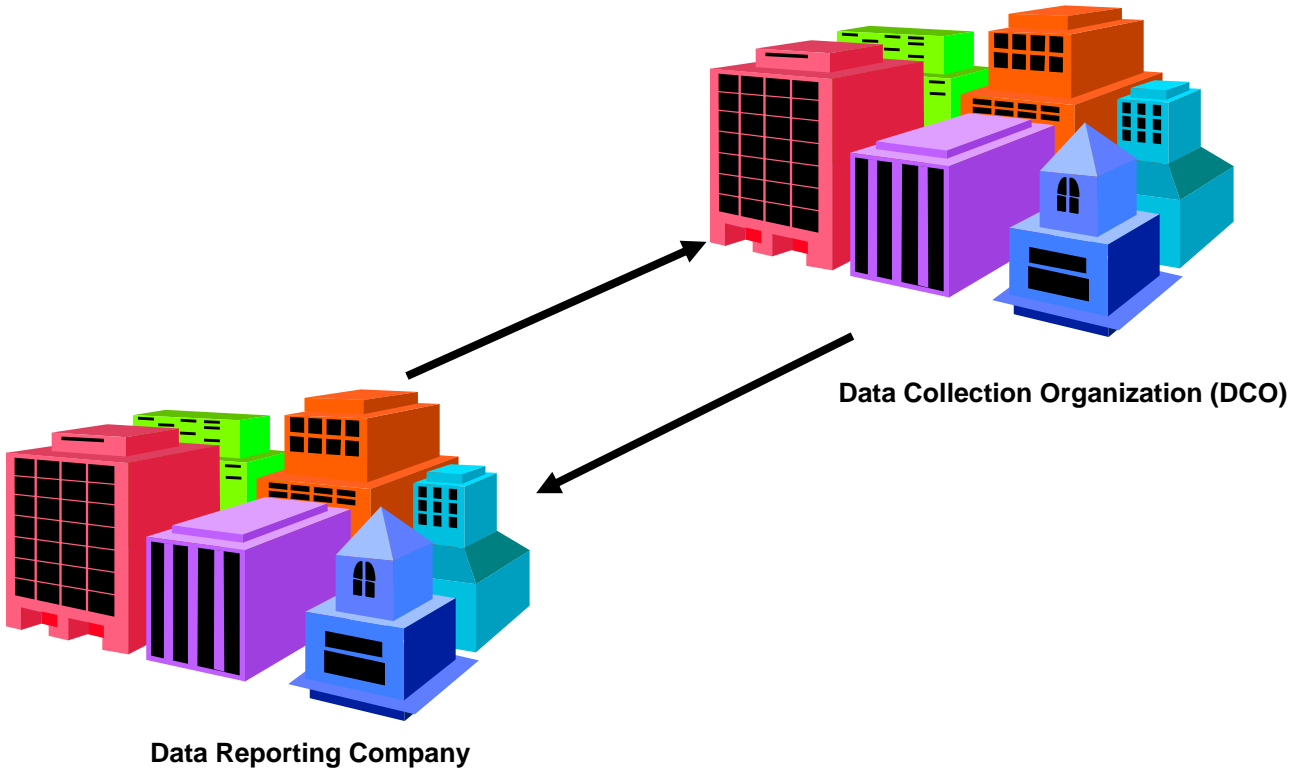


POLICY DATA REPORTING

**POLICY DATA FLOW BETWEEN
DATA REPORTING COMPANY AND DATA COLLECTION
ORGANIZATION**



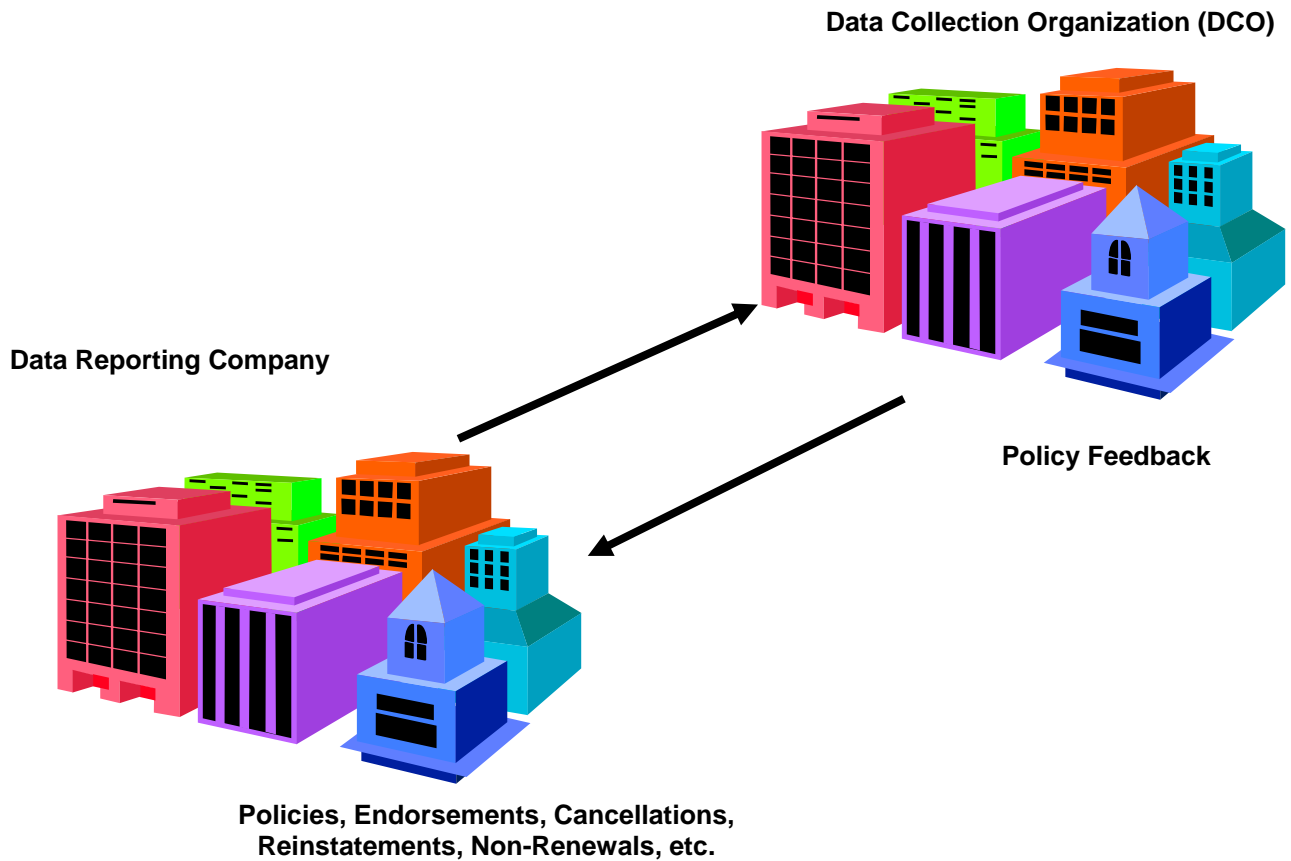
DATA REPORTING COMPANY

- = INSURANCE COMPANIES
- = STATE FUNDS
- = SELF-INSURED GROUPS
- = THIRD PARTY ADMINISTRATORS (TPAs)

DATA COLLECTION ORGANIZATION

- = CALIFORNIA
- = DELAWARE
- = MASSACHUSETTS
- = MICHIGAN
- = MINNESOTA
- = NCCI
- = NEW JERSEY
- = NEW YORK
- = NORTH CAROLINA
- = PENNSYLVANIA
- = WISCONSIN

USE OF POLICY DATA



Policy data is used to:

- Monitor the timeliness of unit reports
- Populate the Proof of Coverage program
- Identify accounts for the Experience Rating Program
- Perform Policy Review

POLICY DATA REPORTING GUIDELINES

The policy is another name for the written contract of workers' compensation insurance. Policy reporting starts the data flow between the data reporting company and the Data Collection Organization.

The primary uses of policy data are as follows:

- To allow the DCO to create a diary or reminder when the unit report is due.
- To populate the Proof of Coverage (POC) program.
- To identify whether the account qualifies for experience rating or other programs.
- To perform policy review.

Policy information (policy, endorsement, cancellation, reinstatement, etc.) is reported to the various DCOs by sending a paper copy or an electronic version of the policy information.

For reporting policies electronically, the guidelines are found in the WCIO Workers' Compensation Data Specifications Manual.

HARD COPY POLICY DATA REPORTING GUIDELINES

Reporting data on hard copy or paper means submitting a copy of the policy information. After receipt by the DCOs the information is keyed into their policy capture system.

It should be noted that some DCOs charge for the keying of the data, i.e., NCCI, Massachusetts and Minnesota. Other jurisdictions are considering or implementing keying charges.

After the data is entered into the DCOs system, the information populates, revises, updates or deletes data in the system.

One of the purposes of capturing policy data is the production of various listings/reports sent to the insurers and state regulatory agencies. This topic is covered in the Unit Stat Data Reporting section under Listings/Reports.

ELECTRONIC POLICY DATA REPORTING GUIDELINES

The guidelines for reporting policies electronically are found in the *WCIO Workers' Compensation Data Specifications Manual*.

The format for electronic reporting is called the WCPOLS format. It is a 300-byte record for reporting the policy information page, cancellation, reinstatement and endorsement data.

The term 'electronic reporting' can mean different methods of reporting for some DCOs, such as by cartridge, PC to PC zip files, mainframe to mainframe, etc. It is best to check with the DCOs as to their accepted methods of electronic submissions.

DCOs require a test submission before approving a company to begin reporting policy data electronically. The test usually requires the following:

- A letter or record of transmittal
- 'X' number of records (the number of records varies by DCO). Some DCOs want no more than 50 records; others may require more
- Hard copies of the test material

It is important that while testing for electronic submission, the reporting of data on paper be continued until approval is received for electronic reporting.

STATE AND REPORTING JURISDICTIONS

This chart illustrates the state and the jurisdiction to which the policies should be submitted. The exceptions are noted below the chart.

| <u>STATE</u> | <u>JURISDICTION</u> |
|----------------------|---|
| Alabama | NCCI |
| Alaska | NCCI |
| Arizona | NCCI |
| Arkansas | NCCI |
| California | Workers' Compensation Insurance Rating Bureau of California |
| Colorado | NCCI |
| Connecticut | NCCI |
| Delaware | Delaware Compensation Rating Bureau, Inc. |
| District of Columbia | NCCI |
| Florida | NCCI |
| Georgia | NCCI |
| Hawaii | NCCI |
| Idaho | NCCI |
| Illinois | NCCI |
| Indiana | NCCI |
| Iowa | NCCI |
| Kansas | NCCI |
| Kentucky | NCCI |
| Louisiana | NCCI |
| Maine | NCCI |
| Maryland | NCCI |
| Massachusetts | Workers' Compensation Rating and Inspection Bureau of Massachusetts |
| Michigan | Compensation Advisory Organization of Michigan |
| Minnesota | Minnesota Workers' Compensation Insurers Association, Inc. |
| Mississippi | NCCI |
| Missouri | NCCI |
| Montana | NCCI |
| Nevada | NCCI |
| New Hampshire | NCCI |
| New Jersey | New Jersey Compensation Rating and Inspection Bureau |
| New Mexico | NCCI |
| New York | New York Compensation Insurance Rating Board |
| North Carolina | North Carolina Rate Bureau |
| North Dakota | Exclusive State Fund |
| Ohio | Exclusive State Fund |
| Oregon | NCCI |
| Pennsylvania | Pennsylvania Compensation Rating Bureau |
| Puerto Rico | Exclusive State Fund |
| Rhode Island | NCCI |
| South Carolina | NCCI |
| South Dakota | NCCI |
| Tennessee | NCCI |
| Texas | NCCI |
| Utah | NCCI |
| Vermont | NCCI |
| Virginia | NCCI |
| Washington | Exclusive State Fund |
| West Virginia | NCCI |
| Wisconsin | Wisconsin Compensation Rating Bureau |
| Wyoming | Exclusive State Fund. |

Exceptions:

Massachusetts, Minnesota, New York, North Carolina, and Wisconsin use NCCI for their interstate rating services. When an account qualifies for interstate rating, a copy of the policy must be sent to both the individual state DCO and to NCCI.

Policies in North Dakota, Ohio, Washington, and Wyoming providing employers' liability, voluntary compensation or U.S. Longshore and Harbor Workers coverage are collected by NCCI.

POLICY FORMS

Forms used to provide or revise coverage for workers' compensation utilize an identification numbering system.

WC 00 00 00 = Workers' Compensation and Employers' Liability Policy

WC 00 00 01 = Information Page

The next page illustrates the endorsements and other forms numbering system. Examples of this numbering system are:

Example 1

WC 00 04 02

The above indicates a workers' compensation (WC) general (00) premium (04) endorsement and second (02) in the sequence.

Example 2

WC 29 01 01 A

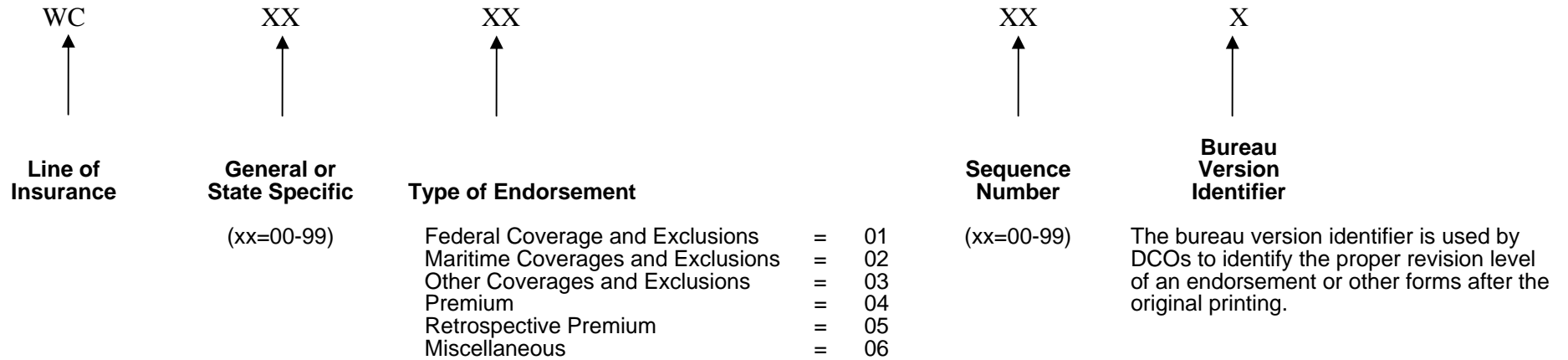
The above indicates a workers' compensation (WC) state specific for New Jersey (29) federal (01) endorsement, first in the sequence (01) and the first version (A) after the original printing.

The Endorsement Number and Bureau Version Identifier are required fields on the WCPOLS Endorsement record. Many DCOs edit these fields as part of their policy review.

For electronic reporting the text for forms may be reported using a state specific record. These records are identified by state alpha character, followed by a second record type alpha identifier; i.e., DA = California Longshore and Harbor Workers' Compensation Act Coverage Endorsement, where D = California and A = WC040101A (Longshore and Harbor Workers' Compensation Act Coverage Endorsement).

The state record identifiers are:

| <u>Jurisdiction</u> | <u>Code</u> |
|----------------------------|--------------------|
| New Jersey | A |
| Delaware and Pennsylvania | B |
| New York | C |
| California | D |
| Wisconsin | E |
| Massachusetts | F |
| Michigan | G |
| Minnesota | H |



POLICY TRANSMITTAL INFORMATION

A Letter (hard copy) or Record (electronic) of Transmittal must accompany all data reported on hard copy or electronically. The transmittal can be submitted electronically (transmittal record) or on paper (transmittal letter).

The Letter/Record of Transmittal is used for record control, balancing, and communication purposes.

The Letter/Record of Transmittal provides the following:

1. Critical information pertaining to the submission, such as:
 - Data type (policy, unit statistical reports, detail claims information)
 - Submission type (test, resubmission, standard)
2. Information to facilitate the two-way communication between the DCO and the insurer. Therefore, it is necessary to include all available insurer information, such as:
 - Contact name
 - Phone number
 - Fax number
 - E-mail address
3. Date of receipt by DCO, number of records processed, and status of submission.

For hard copy submissions, most DCOs will accept a company-generated transmittal form. The form should contain:

- Company information
- Contact person, telephone, fax number and E-mail address
- Type of submission and quantity
- Certification statement, signed and dated
- Receipt type information

The following is a helpful hint:

- California and Massachusetts do not require a hard copy transmittal for hard copy endorsements or coverage material. Copies of the material will suffice.

EXAMPLE OF A POLICY TRANSMITTAL LETTER
TRANSMITTAL LETTER

POLICY INFORMATION PAGE, CANCELTION, REINSTATEMENT AND ENDORSEMENT DATA

1. NAME AND ADDRESS OF DATA COLLECTION ORGANIZATION

2. CARRIER NAME: _____ **3. CARRIER CODE:** _____

4. SUBMISSION TYPE:
_____ Standard _____ Resubmission _____ Test

5. CONTROL DATA:

Number of tapes in submission _____
Total number of records per tape _____
Total number of header records per tape _____
Tape reel, volume or serial number _____

6. TRANSACTION ISSUE PERIOD (DATES)

From: _____
To: _____

7. DATA COLLECTION ORGANIZATION USE ONLY:

Date Received _____ By _____
Date Submission Balanced _____ By _____

8. MAIL RECEIPT TO: CHECK HERE IF MAIL RECIPIENT INFORMATION HAS CHANGED

9. The person signatory hereto certifies on behalf of the company that all data furnished herewith is correct and in accordance with the company's records.

(signature) (date)

10. PERSON TO CONTACT REGARDING SUBMISSION: CHECK HERE IF MAIL RECIPIENT INFORMATION HAS CHANGED

NAME _____
COMPANY _____
ADDRESS _____
CITY, STATE, ZIP CODE: _____
TELEPHONE NUMBER: () _____ FAX NUMBER () _____
E-MAIL ADDRESS: _____