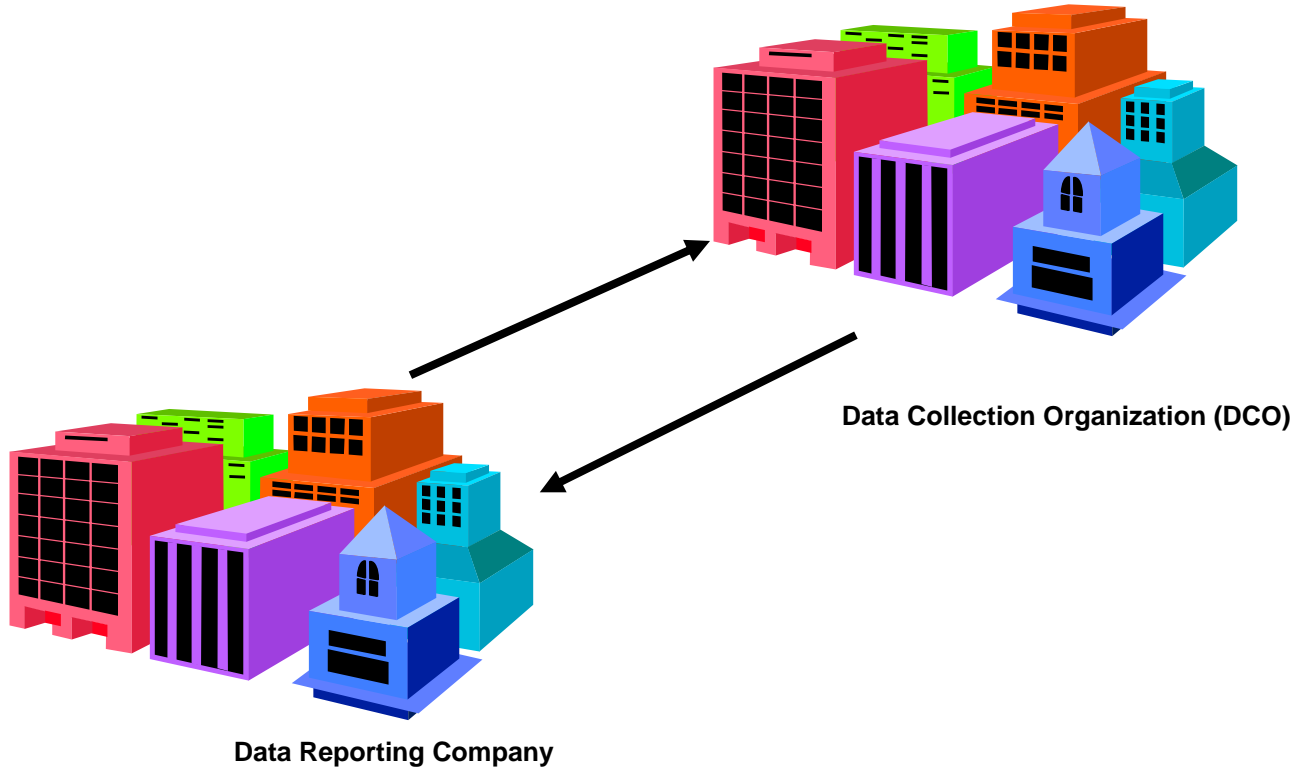


UNIT STAT DATA REPORTING

**UNIT STAT DATA FLOW BETWEEN
DATA REPORTING COMPANY AND DATA COLLECTION
ORGANIZATION**



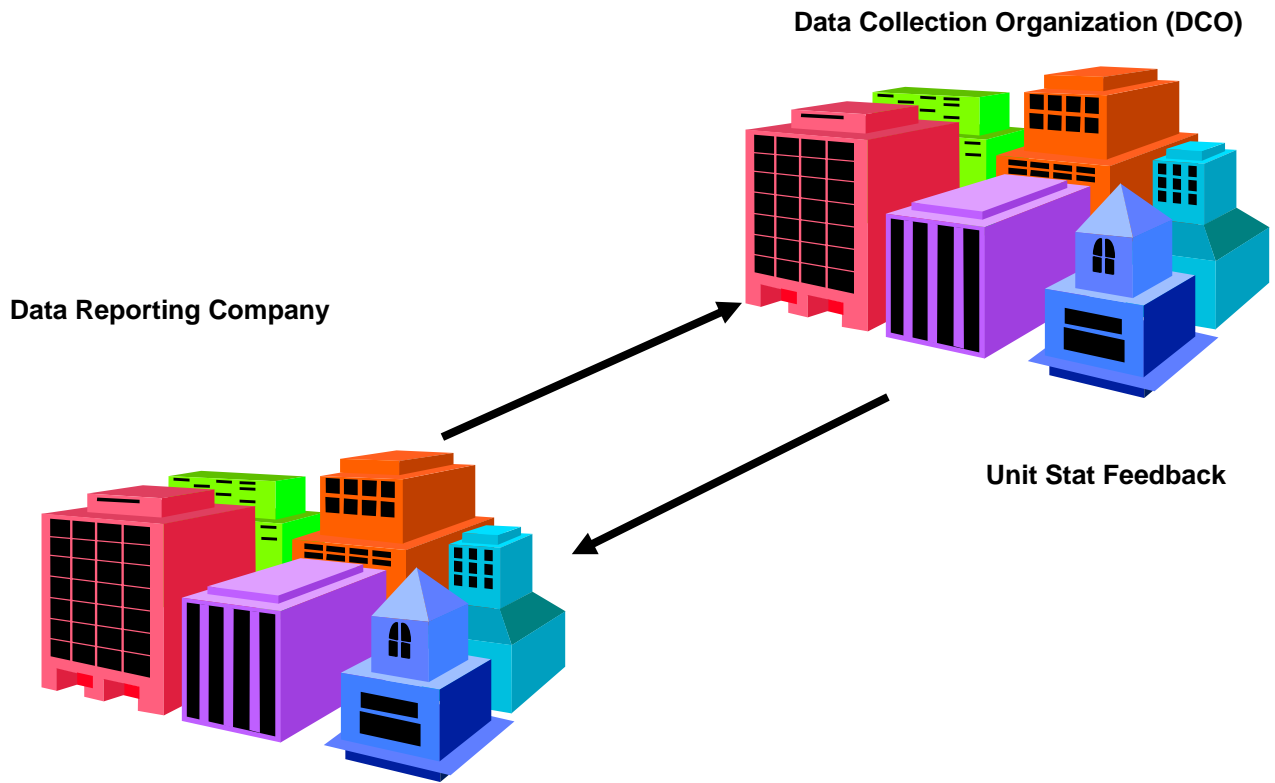
DATA REPORTING COMPANY

- = 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 UNIT STAT DATA



Unit Stat, ERM6, BSI5s/17s, 'C' Reports

Unit stat data is used to:

- Establish rates by classification by state
- Produce experience and merit ratings
- Produce Schedule Zs
- Provide explanatory information on claim cost trends

UNIT STAT DATA REPORTING GUIDELINES

Unit stat data is payroll, premium and loss information submitted, by state, by company, by risk and by classification.

The primary uses of unit stat data are:

- To establish rates for each classification within a state.
- To produce experience and merit ratings which establish the experience modification for rated risks.
- To produce summarized data for Schedule Z purposes.
- To provide explanatory information on claim cost trends.

Unit stat data is reported to the various DCOs electronically or by sending a hard copy of a unit report.

When reporting on hard copy the majority of the data is reported using the Advisory Statistical Work Group (ASWG) forms. Other forms are ERM-6s and BSI-5s/17s, which are similar to a unit report form.

ERM-6 is a form used mainly by self-insured groups, teachers associations, municipalities, etc. The purpose of the ERM-6 is to provide data to a rating organization for production of an experience modification factor.

BSI-5s/17s are forms used mainly by self-insureds. The use of these forms is unique for reporting workers' compensation data. The BSI-5 Form is used to report premium data, while the BSI-17 form is used to report loss data. (On all other forms, premium and loss data can be reported together.)

Some rating organizations that are processing ERM-6s and BSI-5s & 17s have modified the forms and have created electronic records similar to unit stat formats.

Whether reporting on paper or electronically, the guidelines for reporting unit stat data can be found in the WCIO WC Data Specifications Manual in the section titled WCSTAT.

The unit report form has been the communications document for workers' compensation data for over 60 years. For many years, the form was a 5x8 document in different colors.

Statistical areas (now called Data Management, Data Reporting, Data Services, etc.) would write the payroll, premiums, summarized losses (grouped claims), etc. on the form. A blue copy went to the Data Collection Organization(s), the white copy went to the interstate bureau (NCCI), etc.

The hard copy reporting rules remained in effect for many years. In the early 1970's, companies started reporting data on magnetic tape using the WCIO WCSTAT format. In 1996, ASWG changed the workers' compensation data reporting world. Two notable changes were the size and color of the hard copy unit report; i.e., size went to 8½ x 11 and the color was changed to white. ASWG expanded the unit report form and format to allow insurers to report additional information.

Statistical Plans define business rules, instructions, definitions, etc. Most statistical plans are written for the reporting of unit stat data on hard copy; i.e., unit reports.

Policy, exposure, usually payroll, premium and/or loss information is required for unit reports. Data is reported on direct workers' compensation and employers' liability insurance.

In most states, unit stat data is not required on the following:

- Employers' liability coverage for residence and farm employees written with liability insurance
- Workers' compensation coverage on domestics written with homeowners insurance
- Workers' compensation coverage for National Defense Projects
- Reinsurance
- Excess compensation

The above are general rules in most states; however, there are exceptions. Please see the DCOs' statistical reporting rules/plans.

LOSS VALUATION AND REPORTING DATES

The losses included in the first report of data must be valued during the 18th month after policy effective date and reported by the end of the 20th month after the policy effective date. For example, for a policy that became effective anytime during January 2000, the data is valued during July 2001, and reported to the DCOs not later than September 2001.

The following table outlines the valuation month and report month for each policy effective date.

Policy Effective Date	Valuation Month 18 Months After Policy Effective Month	Report Month 20 Months After Policy Effective Month
January	July	September
February	August	October
March	September	November
April	October	December
May	November	January
June	December	February
July	January	March
August	February	April
September	March	May
October	April	June
November	May	July
December	June	August

Subsequent Reports:

Subsequent reports must be reported if any of the following criteria applies:

- A claim was reported as open on the prior report; e.g., if the second report had open claims, then a third report must be filed.
- A claim was reported as closed on any prior report that has since reopened; e.g., first report had a closed claim that reopened subsequent to submission of the first report.
- A claim was reported as closed on any prior report that has had additional payments; e.g., third report had a closed claim that had additional payments made subsequent to submission of the third report.
- A previously unreported claim is discovered.

Second through tenth loss reports (subsequent reports) are required at successive 12 month valuations after the first report; 30, 42, 54, 66, 78, 90, 102, 114, and 126 months; and are to be reported at 12 month intervals after the initial report due month.

Three-Year Fixed Rate Policies

Data for a three-year fixed rate policy usually requires one report. The experience should be valued in the 42nd month and include the complete three years of data.

Multiple Year Policies

Data on multiple year policies must be reported as separate annual policies. For example, a policy January/2000 to January/2003 would require a first report of data on September/2001, September/2002 and September/2003, where each first report covers a separate twelve month block of experience.

HARD COPY UNIT STAT DATA REPORTING GUIDELINES

Hard copy (H/C) or paper is the transferring of the data onto the unit report form. This is done several ways. Some companies print the payroll and premium information and post (write) the losses. Other companies print the payroll, premiums and the losses. Some DCOs will not accept hand written unit reports. In addition, several DCOs charge for data entry. These charges are known as "Hard Copy Charges".

The guidelines for reporting unit stat data manually (H/C) are found in the *WCIO Workers' Compensation Data Specifications Manual*.

Hard copy unit reports are also produced by the DCOs when requested by agents, insureds, etc., or when mandated by a given state; e.g., Georgia.

The following is a list of helpful hints for reporting on hard copy:

- Ensure that the "key" data elements, e.g., policy number, policy effective date, etc., reported on the unit report are the same as were reported on the policy. For example:
 Policy # Reported on Policy = 02 WC 000 419
 If reported on unit report as 2 WC 419, will result in an error (unmatched). The correct number to report on the unit report is 02WC000419.
- Date fields on hard copy unit reports are different from the date fields reported electronically. For example, a 4-digit year can be reported on hard copy, but only a 2-digit year can be reported on the electronic file.
- Two of the fields that apply only to hard copy are Page Number and Last Page Number for multi-page unit reports. The use of these fields will save time in that a company does not have to complete the header information except for the first page.
- Certain codes that must be reported electronically as 2-digits can be coded as 1-digit on hard copy by dropping the leading zero; e.g., Exposure Coverage Act, Injury Type.
- Some DCOs send a listing of expected unit reports to companies. This provides companies with an opportunity to ensure that "key" data elements reported on hard copy, were correctly entered by the DCO. If "key" data elements are shown differently from what was reported, then the element must be corrected to prevent unmatched situations. This type of error is common on hard copy subsequent reports.

Payroll, premium and loss amounts must be reported in whole dollar amounts. For example:

<u>Amount</u>	<u>Report As</u>
\$ 1,000.00	1000
\$ 100,000.00	100000
\$ 51,540.39	51540
\$ 85,340.72	85341

ELECTRONIC UNIT STAT DATA REPORTING GUIDELINES

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

The format for electronic reporting is called the WCSTAT format. It is a 250-byte record for reporting unit stat 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 DCO as to their accepted methods of electronic submissions.

DCOs require a test submission before approving a company to begin reporting unit stat 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.

The WCSTAT section of the *WCIO Workers' Compensation Data Specifications Manual* is very specific and contains guidelines pertinent to the filing of unit stat data. Some of the more important guidelines are:

- The minimum records required for first reports or exposure corrections are:
 1. Record Type 1 – Header – contains link data (Policy number, Carrier Code, Effective Date, etc.) along with other date fields and information about the risk being reported, e.g., Pol. Type ID, Deductibles, etc.
 2. Record Type 2 – Name – contains link data along with Name of the Insured.
 3. Record Type 4 – Exposure – contains link data along with classification code, payroll and premium information.
 4. Record Type 6 – Total – (this record is not required by all DCOs.) Contains link data along with totals for numeric fields.

Note: Record type 5 – Loss – is not a minimum requirement, as there may be no losses applicable to a given unit report.

- The minimum records required for subsequent reports or loss corrections are:
 1. Record Type 1 – Header
 2. Record Type 2 – Name
 3. Record Type 5 – Loss – Contains link data along with claim number, accident date, loss amounts, etc.
 4. Record Type 6 – Total (this record is not required by all DCO.)

- In the specifications for reporting unit stat data, there are instructions as to when a field should be right-or left-justified. The general rule is numeric fields are right-justified, left zero-filled; alphanumeric or alpha fields are left-justified, right blank-filled. This means that if a given field is eight bytes, in most instances it would be reported as follows:
 1. Numeric field-code = 1234, report as 00001234.
 2. Alphanumeric or Alpha field-code = A1234, report as A1234 – the last three positions should be blank. The only exception to this rule is claim number which must be reported as right-justified and left blank-filled.

Although this is the general rule for reporting in fixed length fields, there are exceptions.

STATE AND REPORTING JURISDICTIONS

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

STATE	JURISDICTIONS
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 and Inspection 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 or NCCI
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 or NCCI
Wyoming	Exclusive State Fund

Exceptions:

Massachusetts, Minnesota and New York use NCCI for their interstate rating services. When the account qualifies for interstate rating a copy of the unit stat report must be sent to both the individual state DCO and to NCCI.

Unit stat reports on policies in North Dakota, Ohio, Washington, and Wyoming providing employer's liability, voluntary compensation or U.S. Longshore and Harbor Workers' coverage are collected by NCCI.

UNIT STATISTICAL REPORT

POLICY INFORMATION

Reprt No.	Corr. No.	Corr. Typ.	Replac Rpt. Ind.	Carrier Code	Policy Number	Policy Effective Date	Policy Expiration Date	Expos State	State Effective Date	Certificate Number	Card Serial No.	Risk ID Number	Page No.	Last Page No.				
Insured's Name:											F.E.I.N.		Pending File No.					
Insured's Address:																		
Mod. Effective Date	Rate Effective Date	Policy Conditions					Policy Type ID	Deduct.	Deduct.	Deductible	Deductible	Reserved	For Carrier Use	For Bureau Use				
		3 YR T/R Policy	Multistate Policy	Intrastate Rating	Estimated Exposures	Retro Policy	Caroline Mid-Term	MCO Indicator	Type Cov	Plan Ind	Non Std	Type	Percent	Amount Per Claim/Accident	Amount Aggregate			

EXPOSURE INFORMATION

LOSS INFORMATION

G O D E S U B J E C T	Upd Type	Exp Cov.	Class Code	Exposure Amount	Manual Rate	Premium Amount	Upd Type	Claim Number	Acc. Date/No. Claims	Incurred Indemnity	Incurred Medical	Class Code	Injury	Status	Loss Conditions				Jurisdic State	Cal. No.	MCO Type	
								Act	Type	Recv	Clm	Settl	Paid Indemnity	Paid Medical								
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								Claim Number	Acc. Date/No. Claims	Incurred Indemnity	Incurred Medical	Class Code	Injury	Status	Act	Type	Recv	Clm	Settl	Jurisdic State	Cal. No.	MCO Type
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								Claim Number	Acc. Date/No. Claims	Incurred Indemnity	Incurred Medical	Class Code	Injury	Status	Act	Type	Recv	Clm	Settl	Jurisdic State	Cal. No.	MCO Type
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								Claim Number	Acc. Date/No. Claims	Incurred Indemnity	Incurred Medical	Class Code	Injury	Status	Act	Type	Recv	Clm	Settl	Jurisdic State	Cal. No.	MCO Type
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								Claim Number	Acc. Date/No. Claims	Incurred Indemnity	Incurred Medical	Class Code	Injury	Status	Act	Type	Recv	Clm	Settl	Jurisdic State	Cal. No.	MCO Type
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								Social Security Number	Part Nature Cause	Occupation Description	Voc. Lump	Fraud	Deduct.									
								Claimant's Attorney Fees	Employer's Attorney Fees	Deductible Reimbursement	Reserved For Future Use				ALAE Paid	ALAE Incurred						
								LOSS TOTALS														
								Reserved For Future Use	Total No. Claims	Total Incurred Indemnity	Total Incurred Medical	Reserved For Future Use	Total Paid Indemnity	Total Paid Medical								
								Tot. Claimant's Athry Fees	Tot. Employer's Athry Fees	Reserved For Future Use				Total ALAE Paid	Total ALAE Incurred							

UNIT STAT LISTINGS/REPORTS

All DCOs produce reports, listings, letters of criticisms, etc. of some sort. For purposes of this manual we have collectively called them listings. The next few pages provide an overview of the various listings/reports produced by the DCOs. There may be other listings/reports produced that have not been addressed; however, the following are the more common ones:

NOTIFICATION PRIOR TO UNIT REPORTING

- Pre-delinquent Listing – Alerts the insurers of the unit reports that are expected to be filed with the DCOs. It is usually produced in the 14th or 15th month after policy effective date and in twelve-month intervals for subsequent reports.

The Pre-delinquent Listing is produced from the policies reported to the DCO. This listing contains valuable information, e.g., state, policy number, etc. If the policy was reported on paper, this is the first opportunity to ensure that the key information, such as the policy number, was reported and entered correctly by the DCO.

It is extremely important that this listing be reviewed prior to the submission of any unit stat data. Corrections to this listing will ensure that overdue and unmatched listings, and fines are avoided.

- Pre-notification Listing – Same definition as Pre-delinquent Listing.
- Policy Verification Report – Same definition as Pre-delinquent Listing. However, this listing which is applicable to Minnesota, New York, Pennsylvania and Delaware, is issued in the 14th month after policy effective date for Minnesota, and the 13th month after policy effective date for New York, Pennsylvania and Delaware.
- Unit Report Expected Report – Same definition as Pre-delinquent Listing. However, this listing is applicable to Minnesota and is issued in the 18th month after policy effective date.
- Control List – This listing contains non-rated unit reports that are expected by New York. Rated unit reports expected by New York appear on a Pre-delinquent list. The Control List (14-month list) for California is produced during the 14th month after policy effective date for rated and non-rated unit stat reports.

NOTIFICATION OF OVERDUE (MISSING OR DELINQUENT) UNIT REPORTS

- Delinquent Listing – Alerts the insurers of the unit reports that have not been received by the DCO. It is usually produced in the 21st month after policy effective date. Failure to respond to this list could result in fines. Most DCOs give insurers thirty days to respond. Some DCOs separate the Delinquent Listing into rated and non-rated unit reports that have not been received. DCOs may have a different fining method for rated vs. non-rated unit reports.
- Overdue Listing – Same definition as Delinquent Listing.
- Missing 1st Reports List – Same definition as Delinquent Listing. However, this listing contains first reports only and is applicable to Massachusetts only.
- Outstanding List – This listing is applicable to New York only, and contains non-rated unit reports that have not been received. Rated unit reports not received by New York appear on a Delinquent list.
- Overdue Subsequent Reports Listing – Alerts the insurers of subsequent unit reports that have not been received by the DCO. It is produced on the same schedule as the Overdue/Delinquent Listing for 1st reports.
- Claims Missing from Subsequents List – This listing contains claims that were open on a prior report but were not reported on a subsequent report. This list is applicable to Massachusetts only.

NOTIFICATION OF FINES

- Error Listings – Alerts the insurers of errors in the data reported to the DCOs. These listings vary in sophistication depending on which DCO produces the listing. Errors may be categorized by matched vs. unmatched, rated vs. non-rated, critical vs. non-critical, etc.
- WCESTAT - Alerts the insurers of errors in the data reported to the DCOs in a standard, electronic format.

- “Criticisms” – “crits” – Also referred to as letters of criticisms. “Queries” is another method for communicating errors to the insurers.
- “Queries” – “crits” – Also referred to as letters of criticisms. “Crits” is another method for communicating errors to the insurers.
- Quarterly Management Report - This report is applicable to Pennsylvania and Delaware only. A report produced quarterly containing a summary of individual edit failures.
- Quarterly Overdue Rating Listing - This report is applicable to Pennsylvania and Delaware only. A report produced quarterly containing detailed edit failures for all rated risks.
- Follow-up List – Quality – Alerts insurers that errors appearing on a previous error listing have not been corrected.
- Preliminary Fine List – Quality – This listing is similar to the Fine List Original for late unit reports. It alerts the insurer of unit reports containing errors for which corrections have not been received by the DCO.

NOTIFICATION OF PERFORMANCE

- Report Cards – A performance report produced by NCCI that grades an insurer’s reporting performance. Criteria are established by data type; e.g., policies, unit reports, etc.

UNIT STAT 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 Transmittal Letter/Record 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

EXAMPLE OF A UNIT STAT TRANSMITTAL LETTER
TRANSMITTAL LETTER
UNIT REPORTS AND INDIVIDUAL CASE/CLAIM REPORTS

Name and Address of Data Collection Organization

Submission Type:

- S = Standard Submission
- T = Test Submission
- R = Resubmission
- File #/Version Being Replaced _____

Pursuant to the requirements in the Statistical Plan of the above jurisdiction, the insurer indicated below herewith transmits the statistical data together with the individual case reports as indicated below.

Carrier Information: **CHECK HERE IF CARRIER INFORMATION HAS CHANGED**

Carrier Code: _____
 Carrier Name: _____
 Attention: _____
 Street: _____
 City, State, Zip Code: _____

Transmittal Serial # _____
 E-Mail Address: _____
 Phone #: (____) _____
 Fax #: (____) _____

Data Information:

Operating System (check one): DOS OS

Primary Effective Month/Year:

Complete for All Jurisdictions			Complete for CA, DE, MA, NJ, NY, and PA only Total Number ICR Records _____ _____ _____
File Serial No.	Detail Record Count	Total Unit Reports Submitted	
_____	_____	_____	
_____	_____	_____	

Manually Prepared Unit Stat Reports and ICR for Data Not on Electronic File:

- Enclosed Will Follow Already Filed
 Manual Transmittal Letter is required (Not Applicable: CA)

Canceled Flat List Enclosed: Yes _____ No _____ (NJ Only)

Complete for NCCI only ELECTRONIC FORMAT: 250 BYTES Yes _____ No _____

The person signatory hereto certifies on behalf of the company that all data furnished herewith are correct and do not include any claims declared noncompensable by judicial or appropriate department ruling.

SIGNATURE: _____ DATE: _____

DATA COLLECTION ORGANIZATION PROCESSING INFORMATION

The following magnetic tapes have been received and processed:

Reel File Serial Number	# of Records	Comments
_____	_____	_____
_____	_____	_____
_____	_____	_____
Date Received		Date Processed
_____		_____
Initialed by		_____
_____		_____